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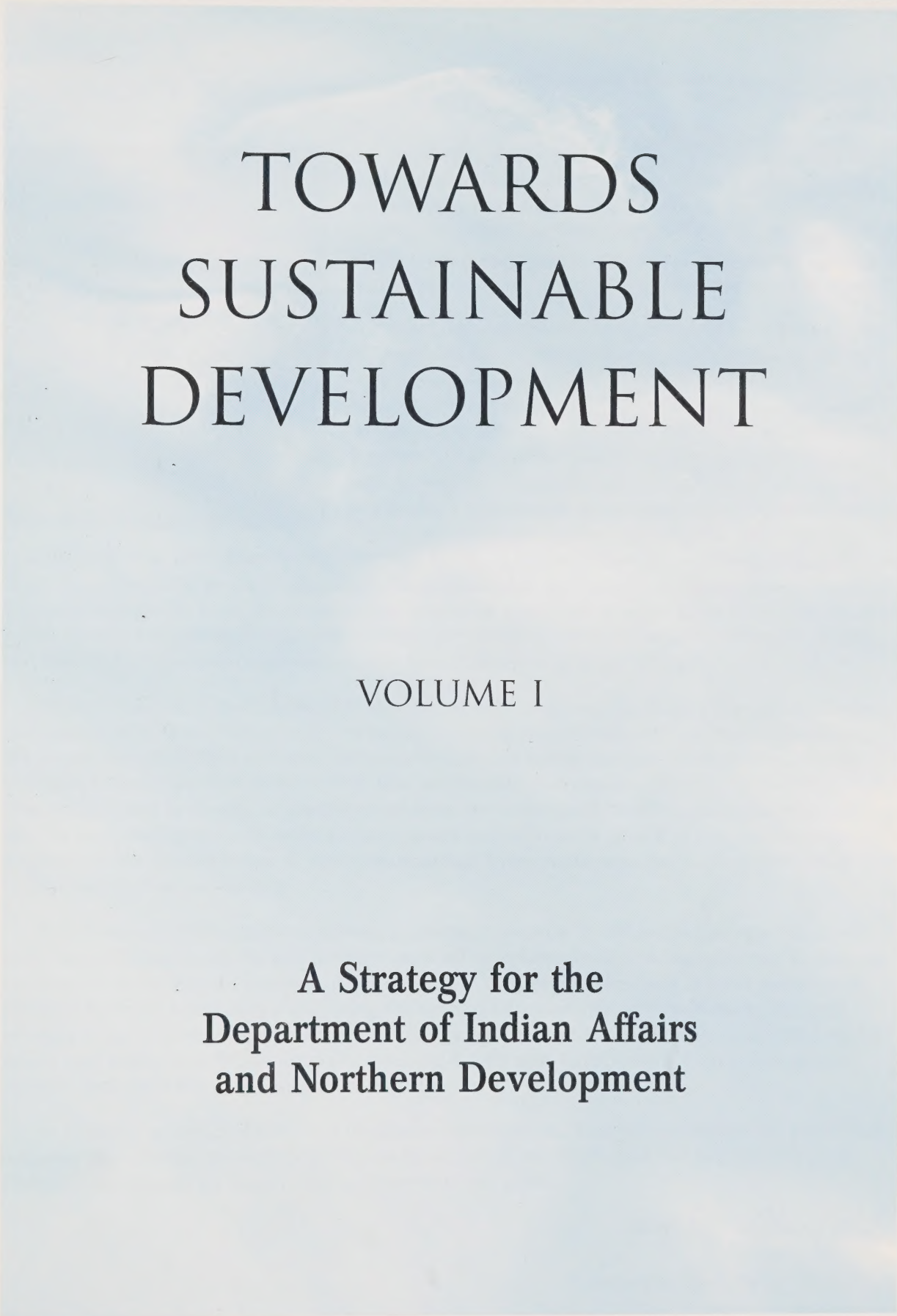
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TOWARDS SUSTAINABLE DEVELOPMENT

VOLUME I

A Strategy for the
Department of Indian Affairs
and Northern Development

Canada



TOWARDS SUSTAINABLE DEVELOPMENT

VOLUME I

A Strategy for the
Department of Indian Affairs
and Northern Development

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Indian and Northern
Affairs Canada

Affaires indiennes
et du Nord Canada

Minister's Message



The Indian Affairs and Northern Development (DIAND) Sustainable Development Strategy is about doing business in a way that supports sustainable development among Aboriginal people and northerners – that meets the needs of the present generation without compromising the ability of the future generations to meet their own needs.

This is an opportune time for the department to create a Sustainable Development Strategy. It is consistent with the work underway aimed at redefining the relationship between Aboriginal and non-Aboriginal Canadians. The Sustainable Development Strategy represents a dynamic example of the department's commitment to an ongoing dialogue for change with Aboriginal groups throughout Canada. It contributes to Canada's overall goal of building strong self-governing Aboriginal communities through effective partnerships.

It brings together goals shared with First Nations, Inuit and northerners to promote healthy environments while fostering economic development under open and accountable decision-making. On an even broader level, the Strategy is reflective of a key theme of the United Nations Decade of the World's Indigenous People (1995-2004) – *partnership in action* – to be achieved by promoting the role of Aboriginal decision-makers and beneficiaries in activities that affect their lives.


With that in mind, our Sustainable Development Strategy was developed through extensive discussions with Aboriginal people, northerners, and departmental staff over the last two years. We heard that Aboriginal cultures traditionally embrace values that are inherently sustainable, and that, I think, is reflected in this our first Sustainable Development Strategy. Input from First Nations and Inuit offered grassroots solutions for community-based decision-making about the use and management of natural resources on and off-reserve as well as how the Department can assist in the development of their communities. I personally want to thank all those who worked so hard on the Strategy.

The Sustainable Development Strategy is a work in progress. It will evolve and improve. It will build upon existing programs and initiatives and will be achieved with existing resources. It supports the themes of the Royal Commission on Aboriginal Peoples in areas such as local governance, building stronger communities and using the traditional knowledge of First Nations and Inuit to support sustainable development. The Strategy is to be updated every three years. DIAND will review and adjust its activities annually, working closely with First Nation, Inuit and northern peoples and other federal government departments.

As Minister of Indian Affairs and Northern Development, I am committed to this important initiative. Sustainable development will not be achieved overnight, but the Strategy will guide DIAND's activities as we work continually towards our goals.

Jane Stewart

Honourable Jane Stewart, P.C., M.P.



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VOLUME II

Part 4 – Indian and Inuit Regional Reports, Phase II Consultations – First Nations of Quebec and Labrador – Sustainable Development Strategy
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Introduction

- What is Sustainable Development?
- Sustainable Development Principles
- What is a Sustainable Development Strategy?
- DIAND's Role and Responsibilities
- Aboriginal Peoples – An Internationally Recognized Role
- How to Use This Document

This Sustainable Development Strategy (SDS) is the commitment of the Department of Indian Affairs and Northern Development (DIAND) to begin an ongoing dialogue for change with northerners and First Nations and Inuit throughout Canada.¹ This Strategy will evolve and improve. It will be reviewed and adjusted annually and updated every three years, as DIAND continues to work with First Nations and northern peoples.

There is no new federal funding associated with the implementation of this Strategy; it will be achieved through the reallocation of existing resources, either within DIAND or, if appropriate, from other federal departments.

What is Sustainable Development?²

Reconciling economic development, social equity and environmental quality is at the core of sustainable development. The challenge in defining sustainable development is that it means different things to different people; it is a reflection of a community's values.

The federal government's *A Guide to Green Government* (1995) directed the efforts of federal departments and agencies preparing sustainable development strategies. It lists the three main elements of sustainable development as "quality of life, integrated decision-making and equity." The Commissioner of Environment and Sustainable Development, in his first report to Parliament (1997), used the same three key elements. The House of Commons Standing Committee on Environment

A Global Issue

There have been three important milestones along the road to defining sustainable development and how to achieve it:

- the United Nations Conference on the Human Environment (1972);
- the World Commission on Environment and Development ("Brundtland Commission") (1987); and
- the United Nations Conference on Environment and Development (UNCED) (1992).

The requirements set out in the amended *Auditor General Act* reflect the Government of Canada's response to the increasing number of international activities supporting sustainable development.

An International Player

Canada is an active international player in northern sustainable development initiatives. These include its participation in the Arctic Council, which has sustainable development as a major goal.

1. From this point on in this Strategy, "northerners and First Nations and Inuit throughout Canada" will be referred to as "First Nations and northern peoples."

2. A glossary of terms can be found at the end of this report.

and Sustainable Development noted that the “integration of environmental and economic considerations, along with the consideration of equity, is a fundamental underpinning of the concept of sustainable development.”

As a starting point for developing this Strategy, DIAND adopted the definition set out by the World Commission on Environment and Development (the “Brundtland Commission”) in 1992, and adopted by Canada in the *Act to Amend the Auditor General Act* in 1995. It defines sustainable development as:

“development that meets the needs of the present without compromising the ability of future generations to meet their own needs.”

Sustainable Development Principles

DIAND’s commitment is to support sustainable development with First Nations and northern peoples. In pursuing this commitment, the department adopts the “Brundtland” definition of sustainable development:

“development that meets the needs of the present without compromising the ability of future generations to meet their own needs.”

Given DIAND’s dual mandate to act responsibly with respect to protecting the environment and to supporting development, a unique opportunity exists to support sustainable development. The Department’s own understanding of sustainable development is growing. The Department accepts that:

- sustainable development is a continually evolving process bringing together cultural, social, economic and environmental concerns;
- development is needed to create opportunities, prosperity and choices for First Nations and northern peoples; and
- development must proceed in a way that leaves choices available for future generations.

Thus all Departmental activities will be guided by the following sustainable development principles:

- open, inclusive and accountable decision-making;
- honouring of its treaty and fiduciary obligations, and international agreements;
- consideration of economic viability, culture and environmental values, as policies and programs are developed;
- provision of fair and equitable opportunities for First Nations and northern peoples;
- consideration of sharing the risks and benefits from development;
- respect for diverse cultures and traditional values;
- respect for the land and its diversity as the foundation for healthy communities;
- consideration of transboundary and cumulative impacts in decision-making;
- efficient use of natural resources and minimization of pollution in DIAND’s operations; and
- fiscal responsibility.

Aboriginal cultures embrace values that are inherently sustainable, and that are important for achieving sustainable development. As evident from some of the definitions collected in preparing this Strategy, DIAND discovered it has benefited from First Nations' and Inuit understandings of sustainable development:

"Koqajotmnej tan koqoey mimajunuksi't – keeping it the right way that which gives us life."
(Mi'kmaq expression which describes the concept of sustainable development.)

"Beneficial socio-economic change that does not undermine the ecological and social systems upon which communities and societies are dependent." (Council of Yukon First Nations)

For First Nation communities, shared values and common objectives in support of sustainable development are also values that support self-government.

In the North, the cultures of Aboriginal and non-Aboriginal peoples provide for a somewhat different appreciation of the meaning of sustainable development. Locally, nationally and at a circumpolar level, a decade of bringing together diverse values to apply sustainable development principles has created an appreciation for different perspectives. This has built a foundation for sustainable development in the North.

What is a Sustainable Development Strategy?

According to *A Guide to Green Government*, a sustainable development strategy *"will include the department's concrete goals and plans of action to integrate sustainable development into its policies, programs and operations."* A strategy helps a department turn sustainable development from words into action.

A Government-wide Commitment

The Government of Canada entrenched its commitment to sustainable development into legislation through 1995 amendments to the *Auditor General Act*. These amendments require the Ministers of federal departments to table a sustainable development strategy in the House of Commons by December 1997. Each department must adhere to the following guidelines:

- strategies must be developed in consultation with the public (in DIAND's case, with First Nations and northern peoples);
- departments must report on the progress of their strategies each year in their Main Estimates;
- strategies must be updated every three years; and
- the Commissioner of Environment and Sustainable Development must monitor the implementation of the strategies and submit annual reports on sustainable development to Parliament.

Partnership In Action

This is an opportune time for DIAND to create a Sustainable Development Strategy that works to redefine its relationship with First Nations and Inuit. We are in the United Nations Decade of the World's Indigenous People (1995-2004). A key theme is *partnership in action*, to be achieved by promoting the role of Aboriginal decision-makers and beneficiaries in activities that affect their environment.

This Strategy reflects DIAND's attempt to improve its relationship with First Nations and northern peoples and will contribute to actions and commitments that support sustainable development. Accountability for commitments within this Strategy rest with the Department and the Minister of DIAND. The strategy focuses on what the Department can do within its mandate and legislation. Achieving sustainable development, however, is the responsibility of everyone; this includes First Nations and northern peoples, other government departments, provincial and territorial governments, and other Canadians.

DIAND's Role and Responsibilities

DIAND's broad mandate is reflected in its mission statement: "Working together to make Canada a better place for First Nations and northern peoples." This mission must be accomplished in a highly complex environment. The Department must manage its resources and initiatives within budget spending limits and, at the same time, provide funding to First Nations and territorial governments to maintain basic public services.

A number of themes run throughout the Strategy. They are directly related to DIAND's mandate and its mission.

- Continued devolution of programs to First Nations and the territories.

The federal government is committed to continuing constitutional and political development of the North – establishing the new territory of Nunavut in 1999, settling and implementing Aboriginal land claims, and transferring the remaining provincial-type responsibilities to the territorial governments.

- Implementation of the inherent right to self-government.

The Inherent Right Policy, announced in 1995, provides a framework to bring First Nations, provinces, territories and other Canadian institutions together to achieve practical and effective self-government arrangements. These arrangements will take many forms, based on the diverse historical, cultural, political and economic circumstances of individual Aboriginal groups, regions, and communities involved.

- Social and economic improvements in the communities of Aboriginal peoples and northerners.

This theme is reflected in proposals for new policies and the continuation of current programs. Actions are identified that will promote development at the same time as calling for ways to protect the fragile northern environment. Removing barriers to economic development is as necessary as removing barriers to environmental protection and to the health of Aboriginal peoples and northerners.

The Context of Our Work

This Strategy cannot and will not limit the authority of existing or future land claims or self-government agreements, nor will it limit the authority of resource management boards established through claims.

Meeting Its Sustainable Development Commitments

Efforts by the Department of Indian Affairs and Northern Development to meet the commitments set out in this Strategy will arise from two main program areas:

- the Indian and Inuit Affairs Program (IIAP); and
- the Northern Affairs Program (NAP).

The IIAP strives to meet the federal government's obligations expressed in the *Indian Act*. This includes the management and administration of lands and natural resources in First Nation communities. First Nations and Inuit continue to take on greater control of their programs; more than 80% of IIAP funding is now passed directly to First Nations and Aboriginal organizations and groups.

DIAND's mandate in the northern territories includes Aboriginal concerns, but extends to other areas. DIAND has jurisdiction over water, lands, Yukon forests, minerals, and oil and gas rights in the territories, whereas these are typically under the jurisdiction of the provinces in the south. The NAP's responsibilities are to protect and rehabilitate the northern environment, implement land claims agreements, and manage the North's natural resources. Like the IIAP, the NAP is increasingly divesting and sharing powers with Aboriginal organizations and territorial governments.

DIAND's Corporate Services supports these two programs through administrative and technical services and guidance in finance. It is specifically responsible for making DIAND's daily office and field operations more environmentally friendly. Key areas within DIAND, including Claims and Indian Government, and Policy and Strategic Direction, will also support the implementation of the Strategy.

A more complete description of DIAND can be found in Annex 1.

Aboriginal Peoples – An Internationally Recognized Role

The important role of Aboriginal people in sustainable development was internationally recognized at the United Nations Conference on Environment and Development held in 1992. It was there that Agenda 21, an international action plan to achieve sustainable development, was created. Canada also signed the *Convention on Biological Diversity*.

Indigenous groups from around the world provided key input into Agenda 21's Chapter 26, called *Recognizing and Strengthening the Role of Indigenous People and their Communities*. Chapter 26 encourages governments to "pursue sustainable development initiatives that accommodate, promote and strengthen the role of Indigenous people and their communities." It cites three main objectives for strengthening the roles of these communities. First, it supports, in full partnership with Indigenous people and their communities, "the establishment of a process to empower Indigenous people." Second, it advocates "arrangements to strengthen the active participation of Indigenous people and their communities in the national formulation of policies, laws and programs relating to resource management and other development processes that may affect them." Third, Chapter 26 calls for Indigenous people and their communities to "participate at the national and local levels in resource management and conservation strategies and other relevant programs established to support and review sustainable development strategies."

In their discussions with DIAND during the development of this Strategy, First Nations and Inuit stressed the importance of meeting the objectives set out in Chapter 26.

The objective of the *Convention on Biological Diversity* is to conserve biological diversity and sustainable use. It contains several references to Indigenous and local communities. In particular, signatories are expected, subject to national legislation, "to respect, preserve and maintain knowledge, innovations and practices of indigenous and local communities embodying traditional lifestyles relevant for the conservation and sustainable use of biological diversity, and promote their wider application with the approval and involvement of the holders of such knowledge..."

How to use this Document

This document is organized into four parts:

Part 1 defines the evolving relationship between DIAND and Aboriginal peoples with respect to sustainable development, and sets preliminary goals, objectives and proposed actions for sustainable development in the provinces. (DIAND's Indian and Inuit Affairs Program has the lead responsibility.)

Part 2 sets the goals, objectives and proposed actions for sustainable development in the northern territories. (DIAND's Northern Affairs Program has the lead responsibility.)

Part 3 sets out a program of change for DIAND's internal operations. (DIAND's Corporate Services has the lead responsibility.)

Part 4, published as a separate document, contains reports describing ongoing discussions with First Nations and Inuit on sustainable development.

As described above, the Indian and Inuit Affairs Program, which has lead responsibility for goals, objectives, targets and actions outlined in Part 1, is governed by a significantly different mandate from that of the Northern Affairs Program in Part 2. In the North, DIAND has retained some responsibility for the land and resources as well as the people. As a result, the approaches of the two programs for meeting the Department's sustainable development goals and objectives are different.

Background • The Evolution of this Strategy

- Orientation
- Phase I
- Phase II
- Supporting Studies

Orientation

In early 1996, DIAND held a series of workshops with regional staff to:

- discuss sustainable development and its implications for the Department;
- inform everyone of the legal requirement to prepare a sustainable development strategy; and
- solicit advice on how to include First Nations and northern peoples in the drafting of such a strategy.

The key recommendations were to include First Nations and northern peoples at the earliest possible time, and to maintain a very open agenda. In the short term, this participation would include two series of meetings:

- Phase I (fall 1996 and winter 1997) to identify issues and review definitions, principles and the approach to further discussion; and
- Phase II (spring and summer 1997) to review a draft strategy, especially the goals, objectives, targets and actions.

DIAND's discussions with First Nations and northerners during these two phases were extensive. They were held in communities across Canada, and were co-ordinated, as much as possible, by First Nations or northern organizations.

Phase I

The approach in this phase was comprehensive; it involved extensive meetings, workshops and focus groups across Canada. Sessions were adapted to meet the specific needs of each region. Participants included First Nations and Inuit organizations and communities, as well as provincial and territorial governments. In the North, other groups, including industry, municipalities and environmental organizations, also participated, building on more than a decade of northern experience addressing sustainable development issues. In consideration of the valuable time of participants and to provide for a more consistent federal approach, DIAND invited other federal departments to participate in these meetings, and, in the North, to gather input for their own departmental sustainable development strategies. The focus of Phase I was on sustainable development issues and principles, as well as on a process for arriving at a meaningful strategy.

Phase II

DIAND responded to the discussions held in Phase I by drafting a strategy for review in Phase II. In the provinces, this second round of discussions was organized and coordinated by regional and community-based Aboriginal organizations. An Aboriginal contractor organized a series of focus groups across the North in an effort to involve more people at the community level. A significant level of effort was made to encourage participation; nevertheless, many comments during these discussions reflected concern about the approach, including the limited time and resources.

This Strategy responds to these concerns and represents an opportunity for DIAND to continue to build better relations with First Nations and northern peoples. The results of the provincial meetings in Phase II are tabled in a separate report as Part 4 of this Strategy. Annex 2a summarizes the results in the North and Annex 2b lists suggestions that have not been specifically identified in the final Strategy. All of this information is intended to be used as the basis for follow-up discussions on this Strategy.

Supporting Studies

The following reports and studies also support this Strategy:

Baseline Study of Taxes, Grants and Subsidies: DIAND contracted a study to identify potential barriers to sound environmental practice in the management of DIAND subsidies and revenue measures, and to make recommendations about priorities for further review and improvement. Given the extensive nature of DIAND's activities, the findings indicated relatively few barriers to sound environmental practice. The report, however, highlighted a number of key programs and activities for further review. The Executive Summary of this report is found in Annex 3.

North of 60°N Issues Scan: A rigorous review of all DIAND programming in the territories was carried out to identify opportunities for, and constraints to, the advancement of sustainable development. The Executive Summary is found in Annex 4.

International Institute for Sustainable Development: In 1996, DIAND commissioned the International Institute for Sustainable Development to develop an approach for dealing with sustainable development within the Department. Focussed on Manitoba Region, the report suggested that DIAND adopt a community-based "livelihoods" approach to implementing sustainable development. In addition to the role it played helping shape DIAND's thinking on sustainable development, the report will serve to guide DIAND's further discussions with First Nations and Inuit on implementing this Strategy. This study can be obtained from DIAND on request.

Part 1 • Indian and Inuit Affairs Program: Towards a New Relationship

1

- **Preamble**
- **Understanding Sustainable Development**
- **Issues raised by First Nations and Inuit in the Provinces**
- **Goals, Objectives and Targets**

Preamble

This Sustainable Development Strategy recognizes and affirms the unique relationship between Canada, First Nations and Inuit. While recognizing that it is unique, the Department received strong messages from First Nations that improving this relationship is fundamental to achieving the goal of sustainability. A sustainable relationship must reflect international agreements and the obligations of the Crown (in the Right of Canada) to First Nations and Inuit, Treaty Rights, Aboriginal Title and Rights, statutory rights, the inherent right of self-government, and fiduciary obligations.

DIAND is aware that First Nations view their relationship with the Crown as one of nation-to-nation, government-to-government. As one of the federal departments responsible for honouring and executing the Crown-First Nations relationship, DIAND is committed to continue working with First Nations and Inuit on sustainable development. South of the 60th parallel, however, the federal government is not in control over natural resources off reserve. Increased access and control over these resources for Aboriginal peoples will require the successful participation and involvement of provincial governments, which hold constitutional responsibility for land. In some cases, relationships among First Nations and Inuit, the federal government and a provincial government, which vary across the country, will more readily support the achievement of the sustainable development objectives set out in this Strategy.

Understanding Sustainable Development

DIAND's commitment is to work jointly to foster a common understanding and approach to sustainable development.

During regional discussions, First Nations, Inuit and others described their individual understandings of sustainable development:

"Kogajotmnej tan kooqey mimajunuksi't – keeping it the right way that which gives us life."
(Mi'kmaq expression which describes the concept of sustainable development)

"Sustainable development is maintaining a way of life in harmony with Mother Earth." (From a Saskatchewan Regional Meeting with First Nations on the Sustainable Development Strategy)

"Present and future generations include wildlife, fish, people, resources, and all others."
(From Ktunaxa/Kinbasket Tribal Council session)

"The land is our culture." (From an Okanagan Tribal Council session)

"Before the intruders came, the Spirit world, the mortal world, the animal world and the undersea kingdom world were all one, interconnected." (From a Kwakiutl District Council session)

Issues raised by First Nations and Inuit in the Provinces

In the provinces, during both Phase I and Phase II discussions with First Nations and Inuit, the emphasis was placed upon the role of DIAND in supporting sustainable development. Therefore, there was insufficient time to identify those initiatives that have been or are being carried out in various parts of the country by First Nations and the Department to resolve many of the issues identified. It is important that both the Department and First Nations collect and share information about those initiatives as we implement the Strategy.

This section provides a summary of concerns raised by First Nations and Inuit. Although many common themes emerged, there was a wide range of sometimes contradictory observations and recommendations. This summary does not attempt to reconcile these differences nor to respond to them and, being a summary, is not comprehensive. The regional reports from Phase I, which form the basis of this summary, describe the proceedings of these meetings in more detail. Copies of these reports can be obtained from DIAND's regional offices. Reports from Phase II form Part 4 of this document, which is published separately.

The issues in this summary are of prime importance to First Nations and Inuit. While many fall within DIAND's mandate, some do not. Many common concerns were expressed by Aboriginal peoples throughout the regional meetings. Because of the holistic nature of sustainable development, many concerns are interrelated and difficult to separate into distinct topics. They have been summarized into 14 broad issues, which yield 61 ideas put forth by First Nations and Inuit for DIAND to consider as important to achieving sustainable development.

These issues, and advice provided by First Nations and Inuit to help resolve them, are presented in more detail below.

- 1. First Nations are of the opinion that the government and First Nations do not have a common understanding of the intent and spirit of existing treaties, and fear that any shift in policy, such as adopting a sustainable development approach to decision-making, may adversely affect treaty rights or treaty-making processes and the government's obligations, and the development of federal-provincial agreements.*

First Nations expressed concern about the government's role in honouring treaties. Will it live up to past commitments? Examples, such as the Natural Resource Transfer Agreement (NRTA) in the prairie provinces, demonstrate that this problem exists at other levels of government as well. There is a lack of trust of the federal government and a concern that implementing a sustainable development strategy, however desirable from a philosophical perspective, may adversely affect other areas when put into practice. For example, it is unclear whether this Sustainable Development Strategy would make it possible for First Nations to pursue amendments to the Indian Act to make it more compatible with sustainable development. It is also unclear how any strategy would influence the existing Environmental Issues Inventory, how it would contribute to or be compatible with First Nations' self government objectives, or how it might affect federal fiduciary obligations.

First Nation and Inuit Advice:

- Identify and resolve these differences.
- Build a common understanding of the treaties, perhaps through workshops, between First Nations and the Department.
- Incorporate treaties as a topic in First Nation education curricula at the band and regional levels.

2. First Nations advised that there is a lack of First Nation control of on-reserve resources and that most reserves are too small and isolated to be economically viable on their own.

With some communities are experiencing 90 percent unemployment, what is there to be sustained?

First Nation and Inuit Advice:

- Accelerate the settlement of treaties and other land claims to ensure access to resources.
- Ensure that the provinces buy into sustainable development (at least into a continuous consultation process).
- Have the provinces recognize First Nation members as citizens.
- Enlist federal support to foster private sector employment and economic development opportunities for First Nations.

3. First Nations are of the opinion that restricted access and control of off-reserve resources limit First Nations' development opportunities.

"The syndrome of dependency, which derives from denial of economic rights, reaches even more deeply into the human psyche. Over the long term, economic dependency breeds political and social dependency."

(Participant at a regional meeting)

First Nations consider that a limited land base and access to capital for resource development, growing populations, conflicting interpretations of jurisdictions and the reluctance of the provinces to resolve these conflicts are some of the interrelated problems associated with this issue. In addition, even where there is access, resource revenues do not necessarily flow back to the community. Resource development favours big business, and small communities, with their limited access to capital for resource development, cannot compete. Municipalities often ignore the rights of First Nations in their development approval process.

First Nation and Inuit Advice:

Where, in the prairie provinces, non-compliance with the Natural Resources Transfer Agreement has occurred:

- Negotiate sustainable development as part of the treaty process.
- Establish a moratorium on development of traditional lands until First Nations' rights are defined.
- Increase the participation of provincial ministries to address jurisdictional issues.
- Establish ways to share resource revenues.
- Factor the loss of local economic opportunity into corporations' costs of extracting resources.
- Establish meaningful First Nations' participation on provincial policy and legislative boards.
- Bring some of the wealth back to communities for the development of future economic options.

In British Columbia an additional recommendation regarding harvesting was:

- *Provide political jurisdiction for the co-management of resources in traditional territories through treaty agreements.*

Canada's First Aboriginal Model Forest Established

The Waswanipi Cree Model Forest in Waswanipi, Quebec was established in September 1997. The Waswanipi Cree Band and their partners will be able to apply the concept of sustainable forest management in a way that integrates their traditional forest uses and values with economic development objectives.

Participation Agreement Between Saskatchewan Environment and Resource Management and the English River First Nation

Supported by funding from Indian and Northern Affairs Canada's Co-management Initiative, First Nations have recently concluded a Participation Agreement which structures an action committee to negotiate a Comprehensive Resource Co-Management Agreement. The Parties to this agreement have a common interest in sustainable development and management, protection, preservation and conservation of the English River First Nation Traditional Territories. Under the agreement, decisions regarding renewable resources will be made in a way that ensures local residents, the people of Saskatchewan and future generations will all benefit, and will be guided by a number of sustainable development principles. The Agreement establishes a commitment between the Parties to recognize and enable the participation of English River First Nation and other stakeholders in co-operative management of renewable resources within the traditional territories of the English River First Nation.

4. First Nations believe that sustainable development cannot be pursued effectively without recognizing the distinct needs and values of each community or region.

Unique community needs cannot be addressed in a generic national strategy. And, because the community is at the heart of decision-making, a community-based approach is key to sustainable development.

First Nation and Inuit Advice:

- *Prepare a national plan that can accommodate regional diversity.*
- *Ensure that the views and values of one First Nation are not imposed on another.*
- *Involve First Nations in identifying the common denominators among regions.*
- *Help interested First Nations create their own sustainable development strategies and drive the sustainable development approach from the ground up.*

In the Quebec Region, the Assembly of First Nations of Quebec and Labrador (AFNQL) decided, during a meeting held on 16th and 17th January 1997 to take advantage of the DIAND's sustainable development strategy initiative to develop its own sustainable development strategy. This decision was confirmed by its political authority, namely the Assembly of Chiefs, in a resolution dated February 20, 1997 considering that the grounds and fundamental concepts of sustainable development are largely based on the ways of life of First Nations.

It is therefore important that DIAND's Strategy must consider AFNQL's strategy. In particular, the AFNQL would like DIAND to respect their strategy when administering and drafting legislation, policy and programs for First Nations in Quebec and Labrador.

5. *First Nations believe that sometimes there is a lack of balance between environmental protection and economic development. An existing balance may also be culturally inappropriate.*

First Nations know that wholesale resource depletion is not sustainable. Hunting and fishing resources are affected by logging. Forest lands are licensed to the maximum allowable cuts based solely on forestry values, and new technologies threaten over-exploitation of wildlife.

Cultural needs are often not considered when it comes to economic development. For instance, a campaign against the fur industry had negative economic impacts, created unemployment and upset the balance of some animal populations. Also, eco-tourism opportunities could potentially exploit traditional culture for economic gain.

First Nation and Inuit Advice:

- *Ensure that the linkages between the well-being of the individual, community, the ecosystem and the natural environment are made explicit.*
- *Include environmental assessments in all development decisions.*
- *Establish selective practices in logging, and in the harvesting of medicinal plants that offer alternative economic opportunity.*
- *Include traditional knowledge in resource management policies.*
- *Find ways to set priorities where there are conflicts, such as yielding some forest rights to protect a vital water resource.*
- *Remove barriers to protecting and preserving the environment.*
- *Build local capacity to conduct environmental impact assessments or formally establish a First Nation environmental assessment process.*

6. *First Nations are aware that environmental degradation is causing human health concerns.*

First Nations expressed concern that contaminated game and fish, chemically sprayed wildlife and plants, and problems with waste management and waste disposal contribute to health concerns. Lack of control over the human activities that affect the environment makes it difficult for First Nations and Inuit to address these causes directly. And the lack of defined and recognized jurisdictions makes it hard for First Nations to exercise control in these areas.

First Nation and Inuit Advice:

- *Implement the recommendations listed above under other issues to resolve these combined environmental and health concerns.*

Walpole Island First Nation Wins a United Nations Sustainable Community Award

In 1995, Walpole Island First Nation received an award from the United Nations, in recognition of its fight against pollution in the St. Clair River. This struggle is central for a community rooted in respect for nature and the use of natural resources, and it continues to involve virtually everyone in the community. Walpole Island has joined with off-reserve communities in co-operative decision-making, working tirelessly to educate their neighbours on both sides of the international border about the dangers of pollution and overdevelopment.

7. *First Nations believe that traditional lifestyles, culture and peoples' connection with the land continue to erode.*

First Nations consider that there are spiritual intrusions in the traditional way of life. People feel they are losing their connection with the land and with the principles of natural law. The disruption of burial grounds, loss of fisheries, clear cutting, riverbank erosion, water and air pollution, and loss of wildlife habitat are affecting the culture and traditions of First Nations and Inuit. Marginalization leads to ill health, unemployment, alcoholism, domestic violence and high suicide rates. There are cultural conflicts between profit motivation and First Nations' value of sharing. New technologies are having an impact on the Inuit mentality. Traditionally, the approach was to "take what you need and use all of what you take." Now there is a danger of taking more than you need and not using it at all. Traditional knowledge is minimized or omitted in school curricula.

First Nation and Inuit Advice:

- *Support First Nations' own systems, including their own traditional electoral processes.*
- *Support the accountability of the Chief and Council to the community and the community power to overturn a Chief and Council.*

The Cree of Ouje-Bougoumou Create a Model Community

The Cree of Ouje-Bougoumou have created a community that is a model for the world. After years of helping prospectors and foresters learn about their land, the Cree found that they were seen to be in the way of development and were cast aside. Their persistent efforts led to an agreement with the governments of Quebec and Canada. This agreement provided them with funding to design and build a village based on Cree culture and traditions, that reflects the hopes, aspirations and desires of everyone in the village. Their village has become a symbol of community life and survival, as well as a source of learning and spiritual renewal.

- *Protect culture, heritage and language through the sustainable development strategy or through a First Nation cultural policy.*
- *Acknowledge and respect First Nations' and Inuit's spiritual connection with the land and their understanding of sustainable development.*
- *Accelerate claims settlements and treaty processes.*
- *Identify and protect heritage sites and territories through mapping projects that combine traditional ecological knowledge with technology.*

8. *First Nations are of the opinion that DIAND and First Nations do not have the same understanding of consultation.*

First Nations consider that there is a fundamental difference between how First Nations understand “consultation” and how DIAND and other government departments do. What DIAND calls consultation is, for First Nations, information or information-sharing. Phase I discussions, which this report summarizes, were a starting point for consultation, but were not a consultation in themselves.

First Nation consultation is community-based, and brings together equal partners to exchange ideas to reach a common objective. It would take longer than the time allowed by DIAND for this Strategy. Sustainable development, like the treaty process and devolution, is value-laden and belongs in a government-to-government political arena, not in this type of consultation process. People at the Phase I meetings did not have the mandate to comment without consulting their Chiefs and Councils. And, although sustainable development is something everyone wants, it cannot be imposed from above.

First Nation and Inuit Advice:

- *Establish an ongoing process that starts with the communities.*
- *Involve both elders, youth and all factions of the community, or create a representative group that can participate in sustainable development discussions.*
- *Work with treaty associations, tribal councils and individual First Nations.*
- *Include enough time and representation for a proper consultation.*
- *Make the process more streamlined and efficient.*
- *Consult on sustainable development through the treaty process.*

West Bay First Nation Wins a Caring Community Award

West Bay First Nation on Manitoulan Island has fought back against the scourges of poverty, alcohol and despair to become a model of hope for First Nation communities across Canada. Drawing on its strong political leadership and its cultural and spiritual traditions, the community worked to overcome a declining economy, where marginal agricultural and forestry jobs had disappeared. It took control of its school curriculum and instilled in everyone pride in the traditional values and ways of life. This kind of leadership has allowed the First Nation to reclaim ownership of its future.

9. *First Nations feel that community empowerment is inhibited by existing and historical legislation, rules and decision-making processes.*

“The Canadian statutes, laws and policies have systematically violated the fundamental, basic rights of First Nation people by heavily restricting their freedom and by keeping them in a perpetual state of dependency.”
(Participant at a regional meeting)

First Nations recognize that laws, rules, regulations and the demands of world markets can often deter efforts to implement projects that could contribute to sustainable development. The *Indian Act* is a major impediment. Amendments agreed to by one First Nation may restrict the opportunities of another. First Nations also have to deal with overlapping and conflicting levels of government.

Government and industrial land management policies create pollution and affect economic development potential. Current regulations and guidelines governing financing of on-reserve businesses and housing are inadequate. The data collection categories of “urban, rural and remote” do not reflect the dependence on the land that exists even in urban areas. People are without houses. And First Nations are not consulted when programs are designed or funding criteria are established or amended.

First Nation and Inuit Advice:

- *Develop a better funding formula and establish baseline funding for some administrative management activities.*
- *Develop a wider range of flexible financing instruments and financial support capabilities that will respond to the economic development needs of First Nations.*
- *Integrate and harmonize policies of government, departments and ministries to the highest social and environmental levels.*
- *Re-establish Aboriginal government systems.*
- *Build ways for First Nations to participate in federal decision-making processes.*

10. *First Nations believe that communities do not have the technical capacity to build and maintain local sustainability.*

First Nations believe it is not clear how sustainable development principles would apply when addressing the management of non-renewable resources. It is also not clear what it would take to plan for a healthy future or what it takes to sustain a healthy community. Funding for training, (for example, environmental management systems (EMS)), planning and research is inadequate. Site rehabilitation plans do not include social impacts. And some community members opt for any training they can get, regardless of whether it will lead to employment or contribute to sustainability.

First Nation and Inuit Advice:

- *Fund capacity-building adequately at the community level.*
- *Raise awareness and skills related to sustainable development.*

- *Support healthy communities through sustainable development plans developed through the local band community.*
- *Establish a community-based, single annual reporting process that would satisfy both government and community requirements.*
- *Emphasize the value of traditional knowledge.*

11. *First Nations consider that it is not clear how DIAND understands sustainable development or how it is integrating it within the Department.*

First Nations are uncertain about whether the Department is integrating the goal of sustainable development internally. In many regions, the responsibility for sustainable development lies with the environment and natural resource unit; this raises questions about Departmental “buy-in” and integration.

First Nation and Inuit Advice:

- *Demonstrate how sustainable development is being integrated internally and how it is affecting other programs.*
- *Establish and maintain an open and transparent process while this is done.*

First Nations Youth Talk about the Environment

On May 28, 1997 approximately 45 First Nations youth gathered in Eskasoni, Cape Breton, to discuss their mutual concerns with the environment. Co-ordinators with the First Nations Environmental Network worked long and hard to plan and implement this gathering. During the meeting, all areas were covered in a series of workshops from youth empowerment to anti-racism and bioregional mapping. Besides environmental issues, the participants also discussed social justice and development, key aspects of sustainable development. The youth returned to their respective regions to implement what they had learned.

12. *First Nations consider that there is a lack of DIAND leadership with other government departments, the provinces and third parties.*

First Nations feel that although sustainable development requires an integrated approach, other government departments have hesitated to participate in the process.

First Nation and Inuit Advice:

- *Advocate for fiduciary responsibilities and challenge infractions committed by others.*
- *Help build partnerships with other government departments, the provinces and the private sector.*
- *Create a one-window approach to address concerns that would normally involve many parties.*
- *Set up an interdepartmental policy process to ensure that these actions take place.*

13. First Nations feel that connections are not being made between sustainable development and the recommendations of the Royal Commission on Aboriginal Peoples (RCAP) and treaty negotiations.

“How do we ensure that what we say today will not just sit on a shelf and gather dust?” (Participant at a regional meeting)

First Nations consider that this sustainable development process is invalid and diffuses attention from legitimate processes already underway, such as devolution and treaty negotiations. Input has been requested in the past but not used; for example, as of spring 1997, there had been no response to the RCAP recommendations.

First Nation and Inuit Advice:

- *Acknowledge and respond to the economic, employment and training recommendations from RCAP that could address the issues raised above.*
- *Acknowledge and respond to RCAP's approach to sustainable development.*
- *Reconcile sustainable development and the treaty process.*
- *Address the impact of the Natural Resources Transfer Agreement on treaty obligations in the prairie provinces.*
- *Get a corporate buy-in by other parties in British Columbia (for example, multinationals) for effective formation of treaties.*

Part 1 of this Strategy attempts to respond to these issues and serves as the basis for continuing discussion with First Nations and Inuit.

During a joint First Nation, Inuit and DIAND staff meeting in September 1997 to discuss the results of Phase II discussions, it was understood by all participants that a better relationship is the first step towards reconciling the cultural, social, environmental and economic elements of sustainable development. The openness and leadership that participants demonstrated during this five-day meeting was recognized as exemplary of the kinds of trust-building exercises required for a new relationship.

Goals, Objectives and Targets

The following goals have been developed in response to the issues described above.

1. Establish a relationship with First Nations, Inuit and other government departments which provides a foundation to support and promote sustainable development.
2. Integrate sustainable development into Departmental decision-making processes.
3. Improve, maintain and support the interrelationships between healthy environments and communities.

4. Support and enhance sustainable economic development opportunities to support First Nations and Inuit livelihoods.
5. Support and contribute to the sustainability of traditional knowledge and cultures.

Central to the Indian and Inuit Affairs Program discussions, which began in 1996, was the need for a more effective relationship between the Department, First Nations and Inuit, particularly in the provinces, to support sustainable development. There was recognition that the goal of sustainable development requires that all parties address this need. Considering that there are no new resources available for the implementation of this Strategy, any new programs can only be supported through the reallocation of existing resources. This new relationship, identified within the context of the Sustainable Development Strategy, should involve the following components:

- communication;
- an ethic;
- common values;
- advocacy; and
- commitment and action.

DIAND will respect ideas brought forward by First Nations and Inuit to enhance the Sustainable Development Strategy. Open, honest, receptive and inclusive communications involving First Nations, Inuit and the Department are required and have been demonstrated to work in the North. A consultation process acceptable to the Department, First Nations and Inuit will be an important initial step towards the development of a new relationship. Part of that process will include DIAND's willingness to respond to, support and respect ideas brought forward by First Nations and Inuit to enhance the Sustainable Development Strategy.

A commitment to shared values about sustainable development between the Department, First Nations, Inuit and supporting organizations needs to be established. This will also require openness, honesty, respect and an appreciation of the values each places on culture, economic development and the environment. This appreciation will help form a basis for the evolution of common values which support sustainable development.

The Department needs to advocate, along with First Nations and Inuit, that Aboriginal concerns and aspirations be duly considered. This advocacy will have a direct impact on the Department's relationship with other federal departments and other levels of government, and help them remove barriers to sustainable development and further empower First Nations and Inuit.

Commitment requires action. Fostering the growth of a strengthened relationship between the Department, First Nations and Inuit requires the Department to build its own capacity. In a sustainable relationship, First Nations, Inuit and the Department will work cooperatively to determine the appropriate actions and related accountabilities.

First Nations and Inuit consider goal number 1 as the most important.

Goal 1: Establish a relationship with First Nations, Inuit, and other government departments which will provide a foundation to support and promote sustainable development

OBJECTIVES	TARGETS	ACTIONS
i) DIAND will invite First Nations, Inuit and other government departments to participate in discussions on the proposed activities listed below and as set in Goals 2, 3, 4 and 5, and seek agreement on the appropriate steps to take in each case	a) DIAND will invite First Nations, Inuit and affected government departments to establish a schedule and focus for discussions to help build the relationship by December 1998 Further targets will be established following agreement on process	<ol style="list-style-type: none"> 1. DIAND will work with other federal departments, First Nations and Inuit to develop a mutually acceptable consultation process 2. DIAND will work with other government departments to implement Chapter 26 of Agenda 21 3. DIAND will work with First Nations and Inuit to determine how they might participate in Departmental decision making 4. DIAND will work with First Nations and Inuit to facilitate participation and interaction in policies and plans of other government departments and the provinces 5. DIAND will work with First Nations and Inuit to advocate the development of a federal government strategy that focuses on Aboriginal aspects of sustainable development, if deemed appropriate by First Nations and Inuit 6. DIAND will continue to provide Aboriginal awareness training to its staff and offer it to other departments 7. DIAND will improve First Nation and Inuit access to Departmental information and staff 8. DIAND, First Nations, Inuit and others will clarify and define their respective roles, responsibilities and accountabilities in all activities supporting sustainable development
ii) DIAND will communicate with relevant federal departments to encourage the meaningful involvement of First Nations and Inuit in discussions and decision-making about sustainable development	a) DIAND will invite relevant federal departments to discuss a collaborative approach to consultations with First Nations and Inuit by December 1998	to be determined in discussion with First Nations and Inuit
iii) Encourage interested First Nations to create their own sustainable development strategies and drive the sustainable development approach from the grassroots level	a) The development of First Nations and Inuit Sustainable Development Strategies.	<ol style="list-style-type: none"> 1. Work with interested First Nations and Inuit groups to develop their own sustainable development strategies 2. In the spirit of partnership and based on mutual consent of all parties, DIAND and the First Nations of Quebec and Labrador will define the decision-making mechanisms as well as establish the proper authorities, responsibilities and respective limits that will lead to the implementation of the First Nations of Quebec and Labrador's sustainable development strategy.

Goal 2: Integrate sustainable development into Departmental decision-making processes

DIAND has learned and will continue to learn a great deal from First Nations, Inuit and northerners about sustainable development while developing this Strategy.

OBJECTIVES	TARGETS	ACTIONS
i) Reinforce senior management's commitment to sustainable development	a) Senior management commitment	<ol style="list-style-type: none"> 1. Deputy Minister to identify sustainable development priorities for negotiation into management contracts 2. Include sustainable development terms, conditions, priorities, and targets in management contracts 3. Create linkages to new internal "leadership initiatives"
ii) Promote consistency with respect to the application of the principles of sustainable development	a) Develop a corporate learning culture for the promotion of, and consistency in, the application of the Strategy	<ol style="list-style-type: none"> 1. Provide opportunities internally for understanding the Strategy through such mechanisms as brown bag lunches, Learning Centre activities, articles in <i>Intercom</i>, the sustainable development information management system, e-mail and library displays. (HQ and Regions) 2. Provide for an increased understanding of the different regulatory regimes through simplified explanations of Regulations, Policies and Claims provisions so that their consistency, complementarity and meaning are better understood
iii) Review policies and operations against sustainable development	a) Policy, program and regulatory review reflects sustainable development principles	<ol style="list-style-type: none"> 1. Develop a sustainable development evaluation approach 2. Identify initial priorities for assessment 3. Work with the Commissioner of Environment and Sustainable Development 4. Align program delivery with sustainable development principles to ensure consistency of application 5. Respond to recommendations in the Baseline Study of Grants, Subsidies and Taxes to Identify Barriers to Sound Environmental Practices
iv) Coordinate, advise and monitor sustainable development initiatives	a) Strengthen a sustainable development assessment process for screening all new policy, legislation, and programs	<ol style="list-style-type: none"> 1. Strengthen sustainable development assessment capacity in corporate policy and strategic direction 2. Initiate Departmental guidelines on sustainable development assessment of policy / legislation/programs 3. Develop linkages with First Nations, Inuit, federal departments and stakeholders affected by the policies, legislation or programs.

Goal 3: Improve, maintain and support the interrelationships between healthy environments and communities

Environmental problems affect the health and safety of Aboriginal peoples.

OBJECTIVES	TARGETS	ACTIONS
i) Identify, assess, reclaim and remediate contaminated sites	a) Implement remediation plans for priority sites identified in the Departmental environmental issues inventory, or identified through other means	<ol style="list-style-type: none"> 1. Continue to identify and assess contaminated sites 2. Conduct remediation and clean-up of priority contaminated sites, as appropriate 3. Take steps to reduce and minimize further contamination
ii) Strengthen First Nation and Inuit natural resource and environmental management capacity and decision-making	<p>a) With First Nations and Inuit, jointly assess community needs and priorities for building knowledge</p> <p>b) Identify resources for First Nations and Inuit to respond to priority needs</p> <p>c) Off-reserve: increased co-management of natural resources in traditional lands, in keeping with land claims policy and respectful of Aboriginal and treaty rights</p> <p>d) To devolve authorities in natural resource areas to First Nations on reserve</p>	<ol style="list-style-type: none"> 1. Study the use of pilot projects as an interim measure prior to the resolution of treaties <p>to be determined in discussion with First Nations and Inuit</p> <ol style="list-style-type: none"> 1. With First Nations in the provinces, when requested, jointly advocate for First Nations involvement in the control/shared decision-making on management over natural resources off-reserve. 2. Continue to provide financial support through the Resource Access Negotiations Program <p>to be determined in discussion with First Nations and Inuit</p>
iii) Explore the application/ demonstration of traditional sustainable development practices in the modern context	a) First Nations and Inuit projects to explore new and alternative ways to share indigenous knowledge, manage natural resources and deliver community services	<ol style="list-style-type: none"> 1. Continue with existing projects.
iv) Advance First Nation and Inuit efforts to establish effective environmental regulatory regimes	a) The development of effective environmental regulatory systems, which include review, monitoring, compliance and enforcement mechanisms	to be determined in discussion with First Nations and Inuit

Goal 4: Support and enhance sustainable economic development opportunities to support First Nation and Inuit livelihoods

The relationship between Aboriginal peoples and Canada needs to be dynamic and flexible enough to accommodate innovative economic approaches, and to foster opportunities identified by Aboriginal people.

OBJECTIVES	TARGETS	ACTIONS
i) To increase community empowerment and capacity to achieve greater involvement in the management of natural resources	<p>a) Resolve conflicts between expressed needs and legislative barriers to economic development</p> <p>b) Complete negotiations for self-government agreements, treaties and land claims settlements to clarify tenure and Aboriginal rights to natural resources.</p> <p>c) The integration of traditional livelihoods and pursuits in new decision-making mechanisms</p> <p>d) Increase private sector and other governments support for First Nation and Inuit business development</p>	<p>1. When requested by First Nations, examine changes to legislation/regulation to reduce restrictions to First Nation and Inuit economic development opportunities</p> <p>2. Find ways to support First Nation and Inuit priorities where there are conflicts (such as yielding some forest rights to protect a vital water resource)</p> <p>3. Provide for the use of traditional knowledge in resource management policies</p> <p>to be determined in discussion with First Nations and Inuit</p> <p>to be determined in discussion with First Nations and Inuit</p> <p>1. Continue to promote partnerships with the private sector and provincial governments.</p>
ii) Promote First Nation and Inuit capacity-building efforts	<p>a) Identify means for building community-based capacity in order to strengthen the economic base</p> <p>b) Capacity-building relationships among First Nations, Inuit and appropriate institutions</p>	<p>1. Ongoing consultation with First Nations on capacity-building needs and support for the development of Aboriginal-controlled commercial enterprises, financial institutions and business development support organizations</p> <p>1. Increased advocacy and support for building mentoring and partnering relationships between economic development institutions and First Nations and Inuit communities and organizations</p>

Goal 4 (continued)

OBJECTIVES	TARGETS	ACTIONS
iii) Work towards removing barriers to economic development	<ul style="list-style-type: none"> a) Develop a wider range of financing instruments and support capabilities that will respond to the economic needs of First Nation and Inuit communities b) Strengthen the First Nation and Inuit business environment c) Foster employment and economic development opportunities with First Nation and Inuit communities 	<ul style="list-style-type: none"> 1. Ongoing consultation with First Nations and Inuit on issues concerning access to capital, and advocacy with mainstream financial institutions and government agencies 1. Work with Aboriginal communities, businesses and economic development organizations, industry and the provinces to improve the business environment in Aboriginal communities 1. Develop, in consultation with Aboriginal groups, the provinces and other federal government departments, a concerted federal partnering strategy to eliminate barriers and foster wealth creation and jobs in Aboriginal communities 2. Develop partnerships with Aboriginal groups, the private sector and the provinces to improve Aboriginal access to capital, markets, workforce skills and jobs, and a supportive business environment

Goal 5: Support and contribute to the sustainability of traditional knowledge and cultures.

Aboriginal peoples across Canada are concerned about the integrity of their cultures, which they see as fundamental to sustainable development. Culture is the foundation for Aboriginal peoples' relationship between the natural environment, their economies and social well-being. Efforts by First Nations and Inuit to protect their cultures should be supported by DIAND.

OBJECTIVES	TARGETS	ACTIONS
i) Respect the distinct cultural needs and values of each community or region	a) The protection of culture, heritage and language that accommodate regional diversity	1. Facilitate work with other government departments, First Nations and Inuit on programs and activities to protect culture, heritage and language
ii) The Department will work with Aboriginal people to understand, respect, and support their cultural connection with the land	a) Identify and protect key Aboriginal sites b) The development of a process that will provide a better understanding of traditional knowledge and ways it may be respected and promoted, with an equitable sharing of benefits provided for its use	1. Continue supporting the efforts of Aboriginal people in identifying and protecting key Aboriginal sites 2. Document traditional knowledge or mapping projects that combine traditional ecological knowledge with scientific knowledge 1. Work with other departments and Aboriginal groups, domestically and internationally, to develop the process to get a better understanding of traditional knowledge and ways in which it may be respected and promoted with an equitable sharing of benefits provided for its use
iii) The Department will support efforts by First Nation and Inuit communities to use cultural and community-based decision-making processes for managing their resources	a) The development of cultural and community-based decision-making processes for managing resources	1. Continue supporting First Nations' own systems, including consideration of their own traditional governance system

Part 2 • Canada's North: Building on the Foundation

2

- Preamble
- Understanding Sustainable Development
- Issues
- Goals, Objectives and Targets

Preamble

The North (the Yukon and the Northwest Territories) is experiencing significant legislative and institutional change. The roles and responsibilities are rapidly evolving as a result of land claims and self-government agreements, devolution to territorial governments, and the imminent creation of the eastern territory of Nunavut. The Department's support of devolution and self-government is designed to break the cycle of dependency, and to support First Nation, Métis and Inuit participation in the Canadian economy. Settling claims is an important aspect of changing the relationship between government and Aboriginal peoples. Claims settlements can support economic development and the development of self-reliant communities.

Until recently, DIAND has had a dual role as promoter of economic development and as regulator of the same development. This has allowed the Department to integrate environmental, social and economic factors into decision-making. Over large areas in the North, institutions of public government with responsibilities for natural resource and environmental management are being created pursuant to northern land claims agreements. With the creation of resource management boards and the transfer to them of regulatory authorities from DIAND, the boards will play a crucial role in promoting sustainable development. Furthermore, Aboriginal organizations are becoming important participants through land ownership, compensation payments, resource management institutions and the receipt of resource royalties. They are moving increasingly into a position to attract private investment, and to facilitate the participation of their members in the northern economy. They will have an increasing role in ensuring that development is planned in a sustainable manner.

The establishment of resource management boards means that DIAND must change, and in the future will function as a landowner, an intervenor (as federal land owner the department will make representations to the various resource management boards), as a technical expert and as an advisor to the Minister, who will respond to the recommendations of the boards. Managing funding arrangements and providing advice are becoming increasingly important for the Department in the North, as the territorial governments, First Nations and Inuit take on greater responsibility for their communities' administration, and for program and policy decisions. As claims are settled and responsibilities to the territorial governments devolved, DIAND's current role in sustainable development processes and programs will increasingly diminish.

In the meantime, however, the Department continues to retain important responsibilities that are key in the promotion of sustainable development. It still manages and assists in the development of the North's natural resources, including water, lands, forests in the Yukon, and minerals, issues of oil and gas rights, and protects and rehabilitates the Arctic environment through the delivery of specific programs. Key initiatives include managing the current northern resource development boom; creating jobs and opportunities by creating an environment conducive to investment; meeting DIAND's responsibilities for health and safety and for environmental protection in the North through the implementation of the *Canadian Environmental Assessment Act*, the environmental provisions of land claims agreements, and continuing action on Arctic contaminants and the clean-up of hazardous wastes; completing resource management legislation under land claims agreements; and implementing a Yukon Sustainable Forestry Policy.

Unlike DIAND's role in the provinces, in the North it delivers a limited number of programs and services to Aboriginal communities. For example, in the Northwest Territories (N.W.T.) these relate to treaty obligations, band governance and some economic development. This is due to the unique role played by the Government of the Northwest Territories (GNWT) in delivering social, educational and local government programs to all residents in the N.W.T. This creates a program and service relationship between the Department and Aboriginal peoples in the N.W.T. that differs from that in other parts of Canada.

Understanding Sustainable Development

DIAND's commitment is to foster sustainable development in Aboriginal communities in the Northwest Territories and the Yukon. In pursuing this commitment, the Department adopts the "Brundtland" definition of sustainable development, which is "development that meets the needs of the present without compromising the ability of future generations to meet their own needs."

Given DIAND's dual mandate to act responsibly with respect to the protection of the environment and to support development, a unique opportunity exists to manage these two broad objectives hand-in-hand, thereby promoting sustainable development.

Issues

In preparing this Strategy, DIAND conducted workshops, internal and external consultations and issue scans in order to identify the principal sustainable development issues. The results of these efforts appear in annexes to this Strategy. The purpose of this section of the Strategy is to introduce these issues in summary form.

The issues identified below are not new to the Department's stakeholders, although they may be expressed here in a different manner. Given the Department's mandate north of 60°N, the range and diversity of issues is not surprising. These issues are likely to continue to be addressed in successive sustainable development strategies tabled by the Department.

The issues faced by northern decision-makers are discussed under the following broad headings:

1. Environmental Threats
2. Resource Development and the Economy
3. Emerging Institutions of Public Government
4. Capacity
5. Scientific and Traditional Knowledge
6. Consultation and Partnerships.

1. Environmental Threats

Over the last 40 years, parts of the Canadian Arctic have been subject to contamination from local mining, oil and gas, government and community activities. Abandoned wastes on federal Crown lands pose potential risks to human health and safety, and the environment. By early 1997, about 500 “orphan” waste sites under the authority of DIAND had been cleaned up. That said, there are more. This relatively expensive clean-up must continue under a clear process of risk-assessment and priorities-setting. New mechanisms to prevent any future waste problems are being implemented.

The North is also the recipient of pollutants transported over long distances. The cold conditions make the Arctic act as a “sink” for certain pollutants. Contamination, particularly from persistent organic pollutants, is already evident in some wildlife populations. This has raised concerns about the safety of traditionally harvested country foods, a large component of the diet in several areas of the North. As one of the eight Arctic countries which share a wide range of interests that transcend state boundaries, Canada must act both nationally and internationally to address these threats.

2. Resource Development and the Economy

The North has rich mineral, oil and gas deposits, with significant mining operations already in production and a major oil and gas facility at Norman Wells. In the last few years, an exploration boom has been experienced in the North in both the mining and petroleum industries. This heightened interest has led to mineral staking in vast areas which may lead, in turn, to new commercial ventures and proposals for large-scale mine developments. Certain areas now open for oil and gas exploration have witnessed a surge in exploration.

Many factors influence non-renewable resource development and make the North an expensive area in which to operate. These include:

- the long distances to market;
- a limited physical infrastructure;
- the legislative, regulatory and fiscal context;
- an environmental assessment process;
- an incomplete information base for the surface geology of the North;
- harsh operating conditions;
- the need to invest in costly new technology; and
- the need to increase the capacity of northern communities to realize benefits.

After government, mining is the single largest employer in the North, and non-renewable resource extraction accounts for most of the economic wealth. There is also a continuing reliance on renewable resources in most communities. People are employed in renewable resource activities such as commercial forestry, fishing, guided sport hunting and fishing, marine mammal harvesting and trapping, as well as the sale of crafts and wild-harvested foods (e.g. caribou, char, seal). These activities produce substantial income, and they continue to employ many northerners, particularly on a seasonal or part-time basis. Traditional harvesting also continues to provide much of the diet.

As contributors to environmental health, biological diversity and ecological processes, protected areas are a fundamental part of a sustainable development approach. The completion of protected areas strategies for the N.W.T. and Yukon will help create some certainty for resource development.

3. Emerging Institutions of Public Government

The North is experiencing significant legislative and institutional change as a result of the transfer of province-like responsibilities to the territorial governments, the creation of Nunavut, land claims agreements and Aboriginal self-government arrangements. For DIAND, this means that many responsibilities for resource management and economic development are being handed down or shared with other levels of government and new agencies and boards established under land claims agreements. The creation of these new institutions provides opportunities to create natural resource and environmental management practices which are modern, predictable and efficient, and that better promote sustainable development.

The governments of the Yukon and the N.W.T. now have responsibilities similar to those of the provinces for the administration of justice, education, public health, welfare, municipal institutions, wildlife management and other sectors. DIAND is working with the territories, particularly the Yukon government at this time, for the transfer of all remaining provincial-type responsibilities, including forests, lands, water, and mineral resources, including oil and gas. This and the settlement of claims will provide control to northerners and greater certainty for developers.

As valuable as all these new structures are, there are a number of challenges in the short-term transition period while the new regimes are put in place: the increase of management bodies, variations in procedures, overlapped or duplicated processes for initiatives that straddle jurisdictions, and untested decision-making structures.

Even with the North's political evolution and its assumption of greater decision-making powers, DIAND will retain major responsibilities in the N.W.T. and Nunavut, and continue to foster northern sustainable development.

4. Capacity

The ability or capacity of northerners to benefit from development opportunity is affected by demographic trends, social conditions and educational training needs. The population of the Yukon and the N.W.T. has nearly doubled in the last 25 years. Forty-five percent of the North's population and 60 percent of the N.W.T.'s Aboriginal population are now under 25 years of age.

While the population of the North is rapidly increasing, the economic base of many communities remains static and unemployment is still high; many people, however, are reluctant to move elsewhere. Even when people are willing to move, there are often barriers to wage labour. Housing shortages restrict movement from one location to another, as does the lack of assured access to country foods. Creating jobs for this young population and preparing them for those jobs are important issues for northerners.

Furthermore, the education system will be challenged to prepare young northerners for new, highly technical and skilled jobs which have in the past often been filled by non-Aboriginal people from outside the territories.

While some traditional skills are being lost as young people increasingly aspire to wage employment, the sustainable use of wildlife remains important to Aboriginal communities. The maintenance of the traditional economy and subsistence harvesting are crucial to the preservation of northern Aboriginal cultures.

5. Scientific and Traditional Knowledge

Sound resource management depends, in part, on improved scientific knowledge and the use of advanced technologies. It also depends on sharing that knowledge and integrating it into activities. An interdepartmental Science and Technology Strategy for federal government activities in the North is being spearheaded by DIAND and by those departments with research interests in the North. DIAND is also working on interdepartmental committees dealing with biodiversity and traditional knowledge.

The use of traditional knowledge in the resource management decision-making process is relatively new for both managers and the Aboriginal community. DIAND must continue working with northerners, other government departments, Aboriginal communities and other interested parties to develop a common understanding of the benefits of traditional knowledge in the management of land, water and non-renewable resources. For example, the West Kitikmeot-Slave Study addresses this need and will provide critical information to assess the cumulative impact of mineral development in the Slave geological area.

Co-management boards and Aboriginal groups, along with governments, will become the principal holders and sharers of information. The collection and storage of information in many places will increase the need for cooperation in order to avoid duplication and gaps in information-gathering. Measures are needed to ensure that access to information is quick and reliable. Electronic communication is helping to transfer information in the North and holds promise for facilitating greater communication in the future.

6. Consultation and Partnerships

The Department is committed to meaningful consultation in all of its activities, including the development of policies and strategies. Meaningful consultation is expensive; what's more, it makes heavy demands on the human resources of northern communities, and "consultation fatigue" is not uncommon.

Participation in the development of policies and strategies pertaining to sustainable development demands good communication. While electronic communication can aid in the transfer of information in the North, it does not preclude the need for personal interactive communication. Whatever the technique, meaningful consultation is fundamental to community empowerment, and to the sustainable development principle of "open, inclusive and accountable decision-making."

Goals, Objectives and Targets

These issues have been taken into account in the identification of the goals, objectives, targets and actions for the North.

The five goals are:

1. To strengthen communities by facilitating capacity building.
2. To facilitate and maintain effective partnerships.
3. To integrate sustainable development into departmental and inter-departmental decision-making.
4. To maintain and support healthy environments.
5. To develop and maintain sound natural resource management regimes.
6. To meet the Department's international obligations in support of sustainable development.

Goal 1. To strengthen communities by facilitating capacity building

OBJECTIVES	TARGETS	ACTIONS
i) To promote northern political development	<p>a) A smooth process leading to division in the NWT</p> <p>b) Devolution of federal responsibilities to the territorial governments</p>	<ol style="list-style-type: none"> 1. Support the establishment of Nunavut by developing infrastructure, delivering training, establishing financial transfer arrangements, and holding elections. (HQ & NWT Region) 2. Participate in the development of a viable constitution for the Western NWT. (HQ & NWT Region) 3. Work with the GNWT and the Aboriginal Summit to develop consensus on governance structures for the Western NWT. (NWT Region) 1. Encourage the development of a devolution framework agreement with GNWT. (HQ & NWT Region) 2. Complete the transfer of provincial-type responsibilities to the Yukon government, including securing appropriate Cabinet and legislative authorities to effect devolution. (HQ & Yukon Region) 3. Prepare federal staff to facilitate transition. (Yukon Region)
ii) To increase community empowerment and capacity to achieve greater involvement in the management of resources	<p>a) Land claims and self-government agreements</p> <p>b) Increased dissemination of information</p>	<ol style="list-style-type: none"> 1. Implement existing land claims in the Yukon and the N.W.T. (HQ & Regions) 2. Settle remaining Yukon land claims. (HQ & Yukon Region) 3. Work towards completion of the comprehensive claims and self-government process in the NWT. (HQ & NWT Region) 4. Discuss negotiations with Deh Cho First Nation and with Treaty 8 communities not already negotiating claims. (HQ & NWT Region) 5. Promote and build sustainable development into the negotiation of claims. (HQ & Regions) 1. Continue to share best environmental practices emerging for development of capital facilities. (Yukon Region) 2. Share information to aid Aboriginal participation in mining developments according to the guidelines of the Intergovernmental Working Group on the Mining Industry, and in petroleum through adherence to principles of consultation and information exchange incumbent on northern operators. (HQ) 3. Increase use of communication systems appropriate for northern communities, and of the Northern Information Network for sharing information. (HQ & Regions) 4. Initiate community consultations and information sessions on the legislation and creation of new institutions of public government in the North. (HQ & Regions)

Goal 1 (continued)

OBJECTIVES	TARGETS	ACTIONS
iii) To increase the capacity of northern communities, particularly the Aboriginal ones, to benefit from economic and resource development opportunities	a) Aboriginal community benefits from resource development opportunities	<ol style="list-style-type: none"> 1. Include DIAND's sustainable development principles in funding criteria of the Resource Access Negotiation (RAN) program. (Regions) 2. Promote sustainable resource management practices through the Community Economic Development Program. (HQ & Regions) 3. Work with the GNWT, other federal departments, industry and Aboriginal organizations to coordinate economic development programs which support Aboriginal communities (e.g. Community Mobilization Program, Resource Access Negotiations). (NWT Region) 4. Prepare paper to determine the Department's role in economic development in the North (HQ & Regions) 5. Require oil and gas companies operating in the North to identify and provide training opportunities for Aboriginal people. (HQ) 6. Require oil and gas companies operating in the North to support the development of regional businesses and to give first consideration to hiring northerners. (HQ)
iv) To increase Aboriginal capacity in management, administrative, business, and technical skills	<p>a) Aboriginal employment and contracting by DIAND</p> <p>b) Training for institutions of public government</p>	<ol style="list-style-type: none"> 1. Continue to utilize the Aboriginal Procurement Policy. (Regions & HQ) 2. Encourage a higher utilization of the Aboriginal Employment Program, the Aboriginal Management Development Program, the Employment Equity Recruitment Plan, and the DIAND Inuit Employment Plan. (HQ & Regions) 3. Use DIAND contracting to promote Aboriginal employment, training and sub-contracting opportunities (e.g., contaminated sites program). (Regions & HQ) 1. Continue participation in the Siviliqut Management Development Program for future leaders in Nunavut. (HQ)

Goal 2. To facilitate and maintain effective partnerships

OBJECTIVES	TARGETS	ACTIONS
i) To strengthen partnerships with other government departments, northern government, regional boards, Aboriginal organizations and public institutions to promote sustainable development	<p>a) A federal government sustainable development strategy for northern Canada</p> <p>b) New, effective resource systems in the N.W.T.</p> <p>c) Collaboration with others to promote sustainable development</p>	<p>1. Promote the development of a federal government strategy with other federal departments and new resource management bodies in consultation with key stakeholders. (HQ & Regions)</p> <p>1. Work with the transition boards in the western NWT to establish and prepare for the creation of the new resource management boards. (NWT Region)</p> <p>2. With the GNWT and claims groups, establish the new resource management boards (Nunavut Impact Review Board, Nunavut Water Board, Nunavut Land Use Planning Board, Mackenzie Valley Environmental Impact Review Board, Mackenzie Valley Land and Water Board, Gwich'in Land and Water Board, Gwich'in Land Use Planning Board, Sahtu Land and Water Board, and Sahtu Land Use Planning Board).</p> <p>3. Establish formal and informal agreements to facilitate the sharing of information and the provision of expert advice to resource management boards. (NWT Region)</p> <p>1. Coordinate with the territorial governments, Natural Resources Canada and industry, the continued development and delivery of geoscience programs. (HQ and Regions)</p> <p>2. Work cooperatively with the GNWT, industry, Aboriginal groups and others on the delivery of the West Kitikmeot Slave Study. (NWT Region)</p> <p>3. Maintain effective partnerships and learn from existing resource management boards, e.g., Fisheries Joint Management Committee, Environmental Impact Review Board, Yukon Placer Committee's Wildlife Management Advisory Committee.</p> <p>4. Work cooperatively with the Independent Environmental Monitoring Agency for Canada's first diamond mine. (NWT Region & HQ)</p> <p>5. Develop and maintain effective relationships with the Yukon Water Board and Renewable Resource Councils. (Yukon Region)</p> <p>6. Continue to build on experience with the Northern Contaminants Program's partnerships with northern Aboriginal groups.</p> <p>7. Work co-operatively with the GNWT Department of Resources, Wildlife and Economic Development on common operational initiatives. (NWT Region)</p> <p>8. Work co-operatively with the National Energy Board, the Regional Environmental Review Committee and other organizations in the review of oil and gas development projects. (NWT Region and HQ)</p>

Goal 3. To integrate sustainable development into Departmental and interdepartmental decision-making

OBJECTIVES	TARGETS	ACTIONS
i) To increase the opportunities for northerners to participate in decisions that affect their future	<p>a) Improved consultation procedures</p> <p>b) Interim resource management programs</p> <p>c) Interdepartmental Northern Science and Technology Strategy</p> <p>d) Transparency and inclusiveness as a key to effective communication with northerners</p>	<p>1. Consult on revisions and implementation of this Sustainable Development Strategy in three years. (HQ & Regions)</p> <p>2. Develop a Departmental consultation policy which takes into account the recommendations of the Royal Commissions on Aboriginal Peoples, and through evaluating existing mechanisms and past experiences in consultation. (HQ)</p> <p>1. Implement the Interim Resource Management Assistance Program for First Nations without settled land claims. (NWT Region)</p> <p>2. Deliver the Band Resource Officer Program for Yukon First Nations. (Yukon Region)</p> <p>1. Complete a Northern Science and Technology Strategy and report annually. (HQ)</p> <p>1. Expand the use of the Internet, the Northern Information Network and other media for the dissemination of information among the federal and territorial governments, Aboriginal groups, claims bodies, resource management groups and the public. (Regions & HQ)</p> <p>2. Develop and implement an integrated land, environmental screening and mineral resource information system. (Regions)</p> <p>3. Institute early industry/community dialogue on resource development, research results and new initiatives. (HQ & Regions)</p> <p>4. Undertake annual consultations with regional Aboriginal groups on permitting exploration activities. (NWT Region)</p> <p>5. Consult northerners on oil and gas rights issuance.</p>
ii) To incorporate traditional knowledge into science-based decision-making	a) An information base to aid sound decision-making incorporating traditional and scientific knowledge	<p>1. Participate in research under the West Kitikmeot Slave Study; continue the integration of traditional knowledge in the study; and apply the lessons learned to other activities. (NWT Region & HQ).</p> <p>2. Undertake further research in the Slave River delta as recommended by the Northern Rivers Basin Study. (NWT Region)</p> <p>3. Improve accessibility to database descriptions, archived data and maps. (HQ)</p>

Goal 3 (continued)

OBJECTIVES	TARGETS	ACTIONS
iii) To achieve increased acceptance of traditional knowledge and practices by communities and throughout Canada in terms of resource management	<p>a) Northern Affairs Program policy for incorporating traditional knowledge in its activities</p> <p>b) Aboriginal awareness training /communications skills</p> <p>c) Consultation and participation of northerners in northern research activities</p>	<p>1. With Aboriginal peoples and others, work towards a policy for the use of traditional knowledge in resource management. (HQ)</p> <p>1. Continue mandatory Aboriginal awareness training (HQ and Regions)</p> <p>1. Provide for participation through the various Contaminants Committees and other relevant committees. (HQ & Regions)</p> <p>2. Follow the Guidelines for Responsible Research as outlined in the Northern Contaminants Program. (HQ & Regions)</p> <p>3. Consult with industry on geoscience research priorities. (Yukon Region)</p>
iv) To implement the Sustainable Development Strategy, where appropriate, through resource management boards	a) Sustainable development principles and policies reflected in day-to-day operations of resource management bodies	<p>1. Encourage the development of procedures and processes of the boards to include sustainable development principles and policies. (NWT Region)</p> <p>2. Ensure that interventions at resource management board hearings reflect sustainable development principles and policies. (NWT Region)</p>
v) To promote consistency north of 60°N with respect to the application of the Strategy	a) Learning strategy for promotion and consistency in the application of the Strategy	<p>1. Provide opportunities internally for understanding the strategy through such mechanisms as lunch-hour discussions, Learning Centre activities, articles in Intercom, the Northern Information Network, Northlines, e-mail, the Internet, the Intranet and library displays. (HQ & Regions)</p> <p>2. Provide for increased understanding of the different regulatory regimes through simplified explanations of Regulations, Policies and Claims provisions so that their consistency, complementarity and meaning are better understood. (HQ & Regions)</p>
vi) To measure effectiveness of this sustainable development Strategy	a) Performance measures for the Sustainable Development Strategy	<p>1. Use existing and new measures to determine whether this Sustainable Development Strategy is helping to achieve sustainable development. (HQ)</p> <p>2. Start to create baseline data for evaluating the Sustainable Development Strategy. (HQ)</p> <p>3. Respond to any environmental audits conducted in the Mackenzie Valley as per Part VI of Bill C-6. (HQ & NWT Region)</p>

Goal 4. To maintain and support healthy environments

OBJECTIVES	TARGETS	ACTIONS
i) To ensure that DIAND's residual regulatory activities complement the activities of resource management boards and resource councils	<p>a) Rigorous water and land inspections and compliance system</p> <p>b) Management of aquatic ecosystems to conserve and protect water resources</p> <p>c) Manage DIAND's residual responsibilities for federal lands</p> <p>d) A cumulative impact monitoring (CIM) and environmental audit system for the Mackenzie Valley and Nunavut</p> <p>e) Effective management of non-renewable resource exploration and development</p>	<p>1. Apply risk assessment processes to identify priority inspections, and undertake priority inspections for water licences, land use permits, leases, minerals and other dispositions. (Regions)</p> <p>2. Continue to pursue compliance and, if required, legal actions for non-compliant activities. (Regions)</p> <p>1. Maintain, and where feasible, restore healthy aquatic ecosystems through the identification, assessment and control of point sources of water pollution and transboundary water pollution. (Regions and HQ)</p> <p>2. Help to implement the Mackenzie River Basin Transboundary Waters Master Agreement. (HQ & Regions)</p> <p>3. Review periodically and modify as necessary water quality and quantity monitoring networks. (Regions & HQ)</p> <p>4. Implement the government response to the Northern River Basins Study Board recommendations. (HQ & Regions)</p> <p>1. Continue to manage federal land dispositions i.e., surface and subsurface rights, leases, licences, titles, etc. (Regions & HQ)</p> <p>2. Continue developing a program for the effective management of granular resources. (Regions & HQ)</p> <p>1. Design and develop a CIM system, which includes traditional and scientific knowledge with the Gwich'in, Sahtu, and Nunavut claimant groups; and prepare CIM and audit regulations under the Mackenzie Valley Resource Management Act and the Nunavut Resource Management Act. (NWT Region & HQ).</p> <p>1. Continue administration and management of surface and subsurface land rights, granular resources and water monitoring. (Regions & HQ)</p> <p>2. Apply the principles of the Whitehorse Mining Initiative in reviewing resource development applications. (Regions)</p>
ii) To address, as a priority, waste sites where there are risks to health and safety, and legal obligations exist	a) Clean up abandoned sites with legal or health and safety liabilities, in accordance with risk assessment principles	<p>1. Finalize and implement a policy for the management of abandoned hazardous waste sites involving evaluation, remediation or risk management in a consistent manner. (HQ & Regions)</p> <p>2. Continue the clean-up of priority orphan mines and closed military sites and other high-priority abandoned sites. (Regions)</p> <p>3. Provide information to northerners about priorities and decisions related to waste management. (Regions)</p>

Goal 4 (continued)

OBJECTIVES	TARGETS	ACTIONS
iii) To work nationally and internationally to reduce and, wherever possible, to eliminate contaminants in traditionally harvested foods, while providing information that assists individuals and communities to make informed decisions in their food use	<p>a) Assessment of contaminants in country foods</p> <p>b) Provision of information to northerners about country foods</p>	<ol style="list-style-type: none"> 1. In co-operation with other federal departments and the territorial governments, identify contaminant sources and their transport to the Arctic; assess contaminant levels in fish and wildlife and their effects on the health of northern ecosystems; and assess the potential effects of contaminants on human health and in the context of northern populations utilizing local country foods. (HQ and Regions) 2. Contribute to establishing international controls on priority contaminants through agreements and co-operation with other countries and the circumpolar community <ol style="list-style-type: none"> 1. Provide information that assists individuals and communities to make informed decisions in their food use. (HQ & Regions) 2. Establish a NWT Contaminants Committee, to complement the Yukon Contaminants Committee; it would develop operating and priority setting procedures and identify long-term contaminants research priorities. (NWT Region)

Goal 5. To develop and maintain sound natural resource management regimes

OBJECTIVES	TARGETS	ACTIONS
i) To promote the integration of environmental protection and resource development activities	<p>a) A revised resource development regulatory framework</p> <p>b) Mining legislation, regulations and policy</p>	<ol style="list-style-type: none"> 1. Develop and implement new resource management legislation pursuant to land claims agreements: (HQ & Regions) <ul style="list-style-type: none"> • <i>Mackenzie Valley Resource Management Act (MVRMA)</i> • <i>Mackenzie Valley Surface Rights Act</i> • <i>Nunavut Waters Act</i> • <i>Nunavut Resource Management Act</i> • <i>Nunavut Surface Rights Tribunal Act</i> • <i>Yukon Development Assessment Act</i> 2. When reviewing existing legislation, assess it for consistency with sustainable development principles. <p>b)</p> <ol style="list-style-type: none"> 1. Examine the necessity to update Northern Mineral Policy. (HQ & Regions) 2. Revise <i>Territorial Lands Act & Regulations</i>. 3. Complete consultations and finalize a mine reclamation policy for the NWT. (HQ & NWT Region) 4. Implement the Mining Land Use Regulations in the Yukon. (Yukon Region) 5. Develop and implement Mine Development Production and Reclamation Regulations in the Yukon. (HQ & Yukon Region) 6. Complete consultations and finalize administrative/technical amendments to the Canada Mining Regulations. (HQ & NWT Region) 7. Review the impact of royalty regimes on sustainable development. (HQ)
ii) To promote the practice of sustainable development among industries and other resource users	<p>a) Provision of examples of sustainable development in resource development agreements and other documents to developers</p> <p>b) Impact and Benefit Agreements</p> <p>c) Reduction in environmental disturbance</p>	<ol style="list-style-type: none"> 1. Use elements of the Whitehorse Mining Initiative, the Yukon Forestry Strategy and other development agreement examples that reflect sustainable development principles. (Regions) <p>b)</p> <ol style="list-style-type: none"> 1. Encourage Impact and Benefit Agreements between resource developers and Aboriginal groups. (Regions & HQ) <p>c)</p> <ol style="list-style-type: none"> 1. Ensure, through land and water regulatory approvals, that the best available and proven practices are applied to minimize environmental disturbance during oil and gas exploration and production. 2. Implement the BHP Diamonds project regulatory approvals. (NWT Region & HQ) 3. Prepare a strategy for environmental sensitivity mapping of Crown lands based on information such as existing land use plans and community conservation plans. 4. Prepare a policy for the management of development on caribou calving grounds in the NWT and the Yukon. (HQ and Regions)

Goal 5 (continued)


OBJECTIVES	TARGETS	ACTIONS
iii) To promote sustainable development in planning and management of natural resources	<p>a) Yukon Forestry Strategy</p> <p>b) Protected areas strategies for the Northwest Territories and Yukon Territory</p> <p>c) Impact assessment of development proposals on environment, economy and people</p> <p>d) Program Service Transfer Agreements</p> <p>e) Land use plans</p>	<p>1. Develop policy and legislation to provide for the management of Yukon forest resources on a sustainable basis. (Yukon Region & HQ)</p> <p>1. Support the territorial governments in the preparation of protected areas strategies. (HQ & NWT Region)</p> <p>2. Continue Mineral and Energy Resource Assessment (MERA) studies as required. (HQ & Regions)</p> <p>1. Assess through claims environmental assessment processes and/or <i>Canadian Environmental Assessment Act</i> processes, the impact of development activities. (HQ & Regions)</p> <p>2. Operate the NWT rejuvenated Regional Environmental Review Committee (Mackenzie Valley) prior to the implementation of the MVRMA, to make recommendations on project development and on whether higher levels of assessment are required. (NWT Region)</p> <p>1. Negotiate and finalize Program Service Transfer Agreements with First Nations. (HQ & Regions)</p> <p>1. Fulfil obligations under Claims Settlements for developing land use plans. (Regions & HQ)</p>
iv) To promote economic activity through the sustainable use of natural resources	a) A buoyant fur industry	<p>1. Encourage new trap production in response to international requirements for humane traps, and more innovative uses of fur.</p> <p>2. Help implement humane trapping practices that are in accordance with the Agreement on International Humane Trapping Standards.</p>

Goal 6. To meet the Department's international obligations in support of sustainable development

OBJECTIVES	TARGETS	ACTIONS
i) To participate in the work of the Arctic Council	a) Arctic Council	1. Support the Arctic Council secretariat while hosted by Canada (1996-98). (HQ) 2. Participate in the implementation of the Arctic Environmental Protection Strategy. (HQ)
ii) To provide a forum for discussion among circumpolar nations on sustainable development	a) Circumpolar Sustainable Development Conference, Spring 1998	1. Prepare for and administer a conference. (HQ & Yukon Region)
iii) To contribute to the development of international controls of persistent organic pollutants	a) Northern hemisphere protocol under the Long Range Transboundary Air Pollution Convention	1. Take a lead role in negotiations so that the protocol is available for signature by Spring 1998. (HQ)
	b) Global instrument on persistent organic pollutants under the United Nations Environmental Programme	1. Participate in negotiations to be initiated in Spring 1998. (HQ)
	c) Protection of the Arctic marine environment	1. Contribute to the development of a National Program of Action for the protection of the marine environment from land-based activities. (HQ)

Part 3 • DIAND's Internal Operations: Putting Our Own House in Order

3

-  **1.0 Greening DIAND's Operations**
-  **2.0 The EMS Framework**
-  **3.0 Sustainable Development in Action**
-  **4.0 Communications**

1.0 Greening DIAND's Operations

What Does It Mean?

Minimizing impacts on the environment has become a priority in Canada. As a large government department, the Department of Indian Affairs and Northern Development (DIAND) can have a considerable impact on Canada's sustainable development prospects. Through the plans outlined in this document, DIAND will demonstrate its commitment to sustainable development by putting into practice principles to green operations.

The greening initiative will build on existing environmental stewardship efforts in all facets of Departmental operations: procurement, land and facilities management, waste and fleet management, and water and energy use.

Environmentally Responsible Management

The Department uses a significant amount of scarce resources to sustain operations, from energy and water, to paper and other materials. These resources and materials eventually impact the environment by ending up in the air, water and solid waste streams. DIAND's goal is to manage operations in an environmentally responsible manner:

- to make the most efficient use of natural resources; and
- to minimize the pollution of the environment.

The Three Rs

Reducing the use of materials, energy and water is DIAND's first priority. In each of its operating areas, DIAND plans to conserve resources through reduced use; and to substitute more benign products for those that are harmful to the environment. DIAND will reuse materials whenever possible, and recycle when it is not, to minimize the requirements for new purchases and to reduce waste production.

Adopting the three Rs will dramatically reduce DIAND's future resource use and waste production. The Department will also be reducing environmental impacts by mitigating and remediating existing liabilities, such as fuel tanks and hazardous building materials.

Making It Work

The greening operations initiative has been developed within the framework of an environmental management system (EMS), which integrates environmental considerations into business decisions and activities. This document outlines the actions DIAND must undertake to ensure the ongoing development and implementation of the EMS.

2.0 The EMS Framework

Background

In 1992, the federal government adopted the Code of Environmental Stewardship, demonstrating its commitment to the concept of sustainable development and the integration of environmental considerations into day-to-day operations. The April 1995 *Greening Government Operations* policy extended the ideas in the Code by outlining best practices and promoting the use of environmental management systems. This policy and the amendments to the *Auditor General Act* in 1995, obligated government departments to develop an EMS and action plan as part of their sustainable development strategies.

Two documents were published in the summer of 1995 that provide direction and guidance to departments on achieving sustainable operations: *A Guide to Green Government*, and *Directions on Greening Government Operations*.

What is an EMS?

DIAND has adopted an EMS format from the International Standards Organization (ISO) standard 14004:1996(E) document, *Environmental Management Systems – General Guidelines on Principles, Systems and Supporting Techniques*. The purpose of the EMS is to systematically integrate environmental considerations into the organization's overall management system. It provides the framework for resource allocation, responsibility assignments and practice, procedure and process evaluations on an ongoing basis.

The responsibility for developing DIAND's EMS for Departmental operations was assigned to the Assistant Deputy Minister, Corporate Services. The research and documentation of the EMS has been coordinated by headquarters staff, in cooperation with the regions. Senior management's commitment and expectations were documented in the Environmental Stewardship Policy released in April, 1997. The guidance document that accompanied the policy and the forementioned greening documents laid the foundation for the EMS's development.

EMS Development Process

Development of the EMS began in earnest in the winter of 1996/97 with an initial environmental review. DIAND examined existing regulatory and policy requirements, environmental aspects and impacts of operations as well as environmental initiatives that are currently performed on an ad hoc basis. This plan reflects the identification of priorities for action to meet DIAND's environmental goals and objectives. These actions are important first steps to the ongoing planning and implementation of the EMS.

3.0 Sustainable Development in Action

The strategies and action plans summarized in this section build on existing initiatives and known best practices. The EMS will ensure that these initiatives and general sustainable development principles are entrenched in the day to day operations of the Department.

DIAND's efforts to green operations are concentrated on the following operational activities:

- fleet management
- procurement
- land use and facilities management
- solid waste reduction
- energy efficiency
- water conservation

Human resource issues and initiatives are considered in each area (e.g. training).

3.1 Fleet Management

DIAND has approximately 240 vehicles located across the country. Vehicle use impacts the environment through emissions, infrastructure and land use, as well as during the vehicle manufacturing and disposal processes. The fleet management program will demonstrate DIAND's commitment to energy conservation and environmental protection.

DIAND has developed a new vehicle fleet policy to guide the Department toward compliance with the Treasury Board policy. The Department will be examining ways of further optimizing the fleet through a study of the feasibility and cost-effectiveness of transportation alternatives in each region. Some of the alternatives that will be examined include teleconferencing, car-pooling, use of daily rentals, personal motor vehicles and taxis.

The new policy will also promote energy efficiency and emission reduction by phasing out pre-1988 vehicles, and by acquiring fuel-efficient models where new purchases are necessary. Alternative transportation fuels such as propane, natural gas, methanol and ethanol will be used where cost-effective and feasible in compliance with the *Alternative Fuels Act*. DIAND will develop best practices guidelines to communicate the new policy and procedures to employees.

3.2 Procurement

DIAND purchases consumer, commercial and industrial goods worth millions of dollars every year. Each purchase, large or small, has an impact on the environment. These impacts can be significantly reduced by incorporating environmental considerations into the procurement process.

DIAND will be revising the acquisition policy to promote goods and service purchases that make efficient use of energy and natural resources, can be potentially reused or recycled, and have minimal and safe disposal requirements.

Table 1 summarizes the actions DIAND will take to green the fleet.

TARGET	ACTION	MILESTONE INDICATORS
Fleet optimization	Examine and compare the feasibility and cost-effectiveness of transportation alternatives in the Atlantic and Yukon Regions. Develop and implement an action plan to ensure DIAND complies with the Treasury Board Motor Vehicle Policy	Document findings and recommendations changes by March 31, 1998 Verify DIAND complies with the Treasury Board Motor Vehicle Policy by March 31, 1999
Energy efficiency and emission reduction	Replace all pre-1988 vehicles with newer, more efficient models Purchase the most fuel-efficient vehicles operationally feasible Comply with <i>Alternative Fuels Act</i> requirements	Phase out 52 pre-1988 gasoline vehicles by December 31, 2000 Add specifications for fuel-efficient vehicles to Fleet Management Manual by March 31, 1998 Consume 30% less fuel by December 31, 2000 using 1995/96 as baseline Meet targets for acquiring alternative-fuel vehicles established in <i>Alternative Fuels Act</i>
Training and awareness	Deliver training on environmental issues related to transportation planning and fleet management	Deliver Fleetwise training program by December 31, 1997
EMS alignment	Assess whether existing financial system captures personal motor vehicle daily rentals and taxi expenses by location	Incorporate appropriate line objects in Departmental financial system Educate staff on data input requirements for transportation-related expenditures
Procedures and controls	Develop best practices guidelines consistent with the fleet policy	Release regular bulletins Revise Fleet Management Manual to reflect environmental initiatives related to fleet by March 31, 1999

To support the green procurement policy, DIAND will develop an employee guide outlining procedures and protocols, resource information and tools (i.e., product specifications, checklists, product evaluation techniques). One of the key objectives of this policy and manual are to ensure that employees examine the actual need for the purchase first and foremost. Reducing the number of purchases, through needs assessment and alternatives such as recycling and reuse, is the most effective way to reduce the procurement impacts on the environment.

Table 2 outlines some of the actions DIAND will undertake to promote green procurement.

TARGET	ACTION	MILESTONE INDICATORS
Environmental policy	Incorporate environmental considerations into the procurement policy	Finalize policy by January 1998
	Define roles and responsibilities	Define roles and responsibilities in procurement policy by January 1998
Increased awareness	Develop a profile of procurement practices and identify key products (i.e., largest volume, highest value and/or greatest environmental impact)	Procurement practice profile is completed by December 31, 1997
Facilitate green procurement	Develop a guide for green procurement outlining available resources, product specifications and product evaluation methods	Green Procurement Guide is completed by December 31, 1997
	Assess management system capabilities for meeting reporting requirements	Review reporting capabilities of contracting and materiel management systems by March 31, 1998

3.3 Land Use and Facilities Management

Land use and facilities management issues are applicable to the real property owned by DIAND. The property inventory consists of 260 properties and 508 assets, including housing units, and commercial and institutional facilities.

DIAND is concerned with the environmental impacts associated with building, renovating, operating, maintaining, and disposing of real property assets. As the property energy and water use and solid waste aspects are covered in separate sections of the EMS, the facilities and land use management section is primarily concerned with environmental issues directly related to the management and operation of these facilities, such as hazardous wastes and remediation requirements.

Hazardous Waste

DIAND has nearly completed a preliminary assessment of the hazardous waste on the Department's property (Phase I report). From this assessment, DIAND has identified asbestos, PCB's and other hazardous materials as current liabilities.

Remedial Action

The Phase I report also identifies sites that could potentially require remediation, such as petroleum products storage tanks. To meet regulatory requirements, DIAND will organize registration of these tanks.

Table 3 outlines the activities that DIAND will undertake over the next few years.

TARGET	ACTION	MILESTONE INDICATORS
Develop and comply with green real property policy	Integrate environmental considerations and legal requirements into a real property policy	Finalize policy by January 1998
Prevent, mitigate and remediate current environmental liabilities (petroleum storage tanks, and PCBs, asbestos and other hazardous wastes)	<p>Complete Phase I assessment of environmental issues (inventory) – legal liability and environmental assessment</p> <p>Compile detailed information on location, age and condition of materials for priority issues</p> <p>Develop and implement a prevention, mitigation and remediation action plan to comply with CEPA and other regulatory and policy requirements, incl:</p> <p>Register storage tanks according to regulations</p>	<p>PWGSC Real Property Services to complete Phase 1 assessments and update DRPIS by August 31, 1998</p> <p>PWGSC Real Property Services to complete Phase II assessments and update Departmental Real Property Information System by December 31, 2000</p> <p>Develop, in conjunction with PWGSC, an action plan to comply with the <i>Canadian Environmental Protection Act</i> (CEPA) based on Phase 1 assessments by March 31, 1999 and a revised action plan based on Phase II assessments by March 31, 2001</p> <p>Ongoing</p>
Implement process for green management of real properties	<p>Review lease status and clarify issues including:</p> <ul style="list-style-type: none"> • lease obligations and liabilities • management and control process <p>Negotiate a formal Specific Service Agreement (SSA) with PWGSC Real Property Services that incorporates environmental considerations</p>	<p>Complete lease review and update DRPIS by March 31, 1999</p> <p>Implement SSA by December 31, 1997</p>
Implement awareness of issues related to green property management	Develop best practices guidelines for employees that are consistent with PWGSC guidelines	Prepare best practices by March 31, 1998

DIAND will complete the Phase I report and develop and implement a prevention and remediation action plan to comply with regulatory and policy requirements. The Department will also develop a real property policy and best practices guidelines to support the integration of environmental considerations into day-to-day operations.

3.4 Solid Waste Reduction

Office solid waste management has become a significant concern across the country as landfills are becoming increasingly costly to site and maintain. The Government of Canada is committed to reducing its wastes by 50 percent by the year 2000 with 1988 as the base year. DIAND can contribute to this target by diverting material away from the waste stream through the employment of the 3R principles – REDUCE, REUSE and RECYCLE.

To establish a baseline for program development and performance measurement, DIAND will develop waste profiles of its facilities, and an inventory of existing waste reduction initiatives. This information will be used for the creation of an action plan to enhance existing programs, and create new programs to divert material from the waste stream.

The first priority of the action plan will be to reduce the use of discretionary material and maximize the efficient use of necessary material.

Table 4 summarizes actions DIAND will take in the solid waste reduction area.

TARGET	ACTION	MILESTONE INDICATORS
Solid waste assessment	Develop waste production profiles for each of the regions (extrapolate from existing waste audits)	Complete waste production profiles by December 31, 1997
	Develop an inventory of regional waste reduction initiatives, noting regional issues	Complete inventory of waste reduction initiatives by December 31, 1997
	Investigate additional opportunities for reducing and diverting material from waste stream	Report on opportunities by December 31, 1997
3 Rs Program	Analyse gap analysis and develop an action plan to create new and enhanced reduce, reuse and recycle programs	Complete action plan by April 30, 1998
Training and awareness	Enhance environmental awareness program to encourage the 3 Rs and identify best practices	Continue awareness initiatives to promote 3Rs

3.5 Energy Efficiency

Using energy efficiently is an integral component of 'greening' the office. The DIAND offices use energy in the form of electricity, heating/air conditioning and hot water. The levels of energy consumed in these processes are dependent on a number of factors, including: building envelope components, energy-using appliances, and equipment and energy-use behaviour.

DIAND will do a review of the energy use in its buildings, focusing on the Yukon Region, where the majority of buildings are located. Where warranted, the Department will apply to the Federal Buildings Initiative (FBI) program to initiate substantive programs, such as building envelope, HVAC and lighting system changes. DIAND will also design and implement awareness programs to modify energy-use patterns by employees and tenants.

Table 5 summarizes some of the initiatives DIAND will undertake.

TARGET	ACTION	MILESTONE INDICATORS
Energy Use and Management Status	Determine energy use in DIAND-owned buildings with emphasis on the Yukon Territory (review existing energy audits and energy bills)	Review energy use by September 30, 1998
Promote energy efficiency and conservation	Develop awareness initiatives to encourage employees and DIAND tenants to use energy efficiently in the workplace (e.g., turn off lights, machines, etc.)	Awareness program is developed with PWGSC by March 31, 1998
	Promote substantive initiatives (e.g. building envelope, HVAC and lighting systems) by examining potential for involvement in Federal Buildings Initiative (based on energy use review)	Submit, if appropriate, applications to FBI by December 31, 1998
	Ensure new building construction meets National Energy Code requirements for energy efficiency	Add NEC requirement to facilities management policy by January 30, 1998

3.6 Water Conservation

The water used in DIAND buildings and offices contributes to the depletion of a scarce resource and to pollution levels through the discharge of waste water. DIAND is committed to conserving water and improving the condition of water discharged into the environment.

The Department will identify water conservation opportunities in its buildings through the FBI program. DIAND will also develop an awareness program to encourage employees and DIAND tenants to reduce water use.

Table 6 outlines some of the DIAND's planned activities.

TARGET	ACTION	MILESTONE INDICATORS
Determine water consumption and management status	Determine existing building water use for DIAND- owned buildings, with emphasis on the Yukon Territory	Review water use by September 30, 1998
Promote water conservation	<p>Develop awareness initiatives to encourage employees and DIAND tenants to conserve water in the workplace (e.g., turn off taps, watch for leaks)</p> <p>Determine the feasibility of installing water-saving devices on existing systems, and low-use equipment during renovations and develop action plan for DIAND properties based on review</p>	<p>Awareness program is developed with PWGSC by March 31, 1998</p> <p>Complete action plan by December 31, 1998</p>

3.7 Partnering

Strong partnerships are required to make sustainable development a practical reality. DIAND will be pursuing a partnership with Public Works and Government Services Canada (PWGSC) to ensure the consistent application of greening principles to Departmental operations. PWGSC plays a significant role in DIAND operating activities, such as facilities management and procurement. The goal of this partnership will be to develop guiding principles for working cooperatively with PWGSC to support and enhance green operating practices.

Table 7 Partnering

TARGET	ACTION	MILESTONE INDICATORS
Partnership with PWGSC	Develop guiding principles for working cooperatively with PWGSC to ensure a healthy working environment and to support and enhance green office practices. These principles might include guidance on issues regarding: <ul style="list-style-type: none"> • occupancy agreements • procurement • facility management issues (heating, lighting, air quality, etc.) 	Develop guiding principles for partnership with PWGSC by March 31, 1998

4.0 Communications

Effective communications are important for achieving success in the greening of DIAND operations, as well as ensuring positive public perceptions of the Department's performance. DIAND will prepare and execute a communications plan for Departmental employees and interested external parties.

The success of the greening initiative is dependent on the awareness and enthusiasm of DIAND's employees. This is also true of external parties involved in DIAND's operational activities. The communication plan will be focused on increasing the awareness of environmental issues and the ways in which employees and external parties can contribute to greener operations.

DIAND plans to maintain and enhance this awareness and enthusiasm through reports of progress and success. Opportunities to coordinate some of these communications with other federal agencies will also be explored.

Improving Performance

- What is Performance Measurement?
- Why are we measuring performance?
- Challenges
- Performance related to this Strategy

What is Performance Measurement?

Performance measurement describes performance in terms of:

- economy with which resources are acquired to carry out actions;
- the efficiency with which operations are conducted;
- the quality of the products or services provided;
- the extent to which objectives are achieved; and
- the relationship of goals and objectives to sustainable development.

The Department will answer the following questions as it implements its Strategy:

- Is the Department taking comprehensive action in support of sustainable development?
- Are these actions effective, efficient and economical in achieving the goals of the Strategy?
- How can the department improve the actions it is taking to achieve sustainable development?
- How should the goals, objectives and targets in the Strategy shift to improve Departmental performance?

Why are we measuring performance?

DIAND is committed to improving its performance and finding out what kind of difference it is making. Its efforts towards sustainable development will be measured to ensure that the public remains informed. The Department also hopes to increase the commitment to sustainable development among its staff, and gain the support of First Nations and Inuit throughout Canada and other northerners.

As required by *An Act to Amend the Auditor General Act*, sustainable development strategies must be updated and tabled in Parliament every three years. The Commissioner of the Environment and Sustainable Development will review implementation of departmental strategies and provide feedback on progress. In addition, the Commissioner will conduct periodic audits of individual departments. Annual reporting and evaluation in the Main Estimates (Performance Report) will make ongoing monitoring and self-assessment a necessity.

Challenges

A number of key issues may influence the Department's sustainable development performance reporting, including:

- ongoing efforts to improve federal and Departmental reporting performance;
- strict limits on financial and human resources to collect data in support of new measures;
- internal support for sustainable development performance measures; and
- the evolving relationship of the Department with First Nations and Inuit.

Ongoing Performance Reporting

Treasury Board is working with all departments to improve the Estimates process. This has led to a separation of planning and reporting documents – the Report on Plans and Priorities and the Performance Report. Business Plans reflect essentially the same information found in the Report on Plans and Priorities, although at a more strategic level. As sustainable development strategies are integrated within departmental Business Plans, there will be a trend towards the use of performance reports to help monitor progress on the implementation of strategies. Treasury Board is also leading an initiative to produce comprehensive “state of the nation” indicators that will address issues that cut across federal departments.

To support federal departments in their efforts with respect to measuring performance, the Office of the Commissioner on Environment and Sustainable Development has conducted a series of workshops in a pilot project to help federal departments develop performance indicators linked to their strategy. Written guidance will eventually be provided.

Limits on Financial and Human Resources

Given the strict limits on financial and human resources, work to produce better indicators of performance will proceed at a measured pace and performance measures will favour indicators for which data already exist.

As an example, the Northern Affairs Program has published data in its Northern Indicators reports periodically over a few years. This document presents a variety of social, economic and public financial data for the Yukon and the Northwest Territories, and for other regions of Canada. The last Northern Indicators report covered demography, education, social indices, the labour force, an economic overview, income, retail sales and prices, public finances and resources. This may provide some quantitative basis for measurement of progress towards sustainable development. Some progress, however, can only be evaluated through a qualitative approach.

In other cases, new information and data requirements are being identified. For example, a recent study completed for the Indian and Inuit Affairs Program identified a need for community-based sustainable development indicators in Manitoba.

Building Internal Support

The environment, economy and inter-generational issues that comprise sustainable development are issues inherently characterized by links with other levels of government and shared responsibility. The increased emphasis on shared responsibility and the broad nature of sustainable development imply that managers, and the Department as a whole, are responsible for factors over which they have little direct control. It is, therefore, necessary to define how indicators will be used, and to involve managers in this process. Building awareness and understanding of sustainable development is a necessary step to obtaining management commitment and the improvement of Departmental performance with respect to sustainable development.

The Evolving Relationship between DIAND, First Nations and Inuit

Central to discussions about this Strategy was recognition of the need for a more effective relationship between DIAND, First Nations and Inuit, and that the goal of Sustainable Development requires all parties to address this need. DIAND's commitment to this evolving relationship will require time and effort to develop shared measures of performance.

Performance related to this Strategy

To support annual reporting, the Department makes the following commitments to ensure its performance improves continuously:

- it will put in place an Internet-based sustainable development information management system to track actions and performance against goals, objectives and targets set out in the Strategy, and to share lessons learned during implementation;
- It will develop, in collaboration with Aboriginal peoples and northerners, a suite of performance measures and sustainable development indicators that will guide the evolution of the goals and objectives set out in this Sustainable Development Strategy. The Department will endeavour to use these indicators in its 1999 Performance Report; and
- It will collaborate with First Nations and Inuit to develop a plan for periodic reviews and evaluations of key performance areas, and discuss appropriate roles for First Nations and Inuit in conducting these reviews.

Pending adoption of an accepted mechanism for evaluating progress in achieving sustainable development, DIAND includes some examples of indicators for use in the northern territories.

Goal 1 To strengthen communities by facilitating capacity-building.

- Indicators:
- Proportion of N.W.T. and Yukon Aboriginal population reached through self-government agreements
 - Proportion of northern land claims settled

Goal 2 To facilitate and maintain effective partnerships.

- Indicators:
- Examples of resource management bodies that include representation by government and Aboriginal peoples (and/or industry and/or NGOs)

Goal 3 To integrate sustainable development into Departmental and inter-departmental decision-making.

- Indicators:
- Number and proportion of new policies, new legislation, legislative revisions and new programs where a conscious decision has led to the incorporation/consideration of sustainable development principles

Goal 4 To maintain and support healthy environments.

- Indicators:
- Long-range transport of persistent organic pollutants as measured at the Alert (air quality) station
 - Cost, number and proportion of waste sites cleaned up in the North
 - Number and type of tool developed for communication of the nutritional value and safety of traditional foods

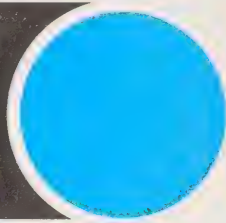
Goal 5 To develop and maintain sound natural resource management regimes.

- Indicators:
- Legislative and policy changes that improve or incorporate sustainable development into the management of natural resources

Goal 6 To meet the Department's international obligations in support of sustainable development.

- Indicators:
- Progress made towards the development of instruments to control persistent organic pollutants, for example, the preparation of draft protocols or agreements with other nations to control emissions

Conclusion



This Sustainable Development Strategy is based to a large extent on the outline provided in the *Guide to Green Government*. It has also been influenced to a large extent by discussions with First Nations and northern peoples.

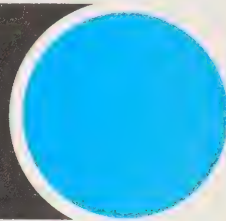
Part 1 of this Strategy focused on the provinces; it reflects the evolving relationship between Aboriginal peoples and the federal government. Discussions started early and were comprehensive. Nevertheless, there was insufficient time to establish mutual trust and for all parties to provide the input to everyone's satisfaction. The actions in this Strategy respond to the need to integrate environmental, economic and social considerations.

Part 2 focused on northern Canada, specifically the Yukon and the N.W.T. The settlement of several comprehensive claims and a decade of other initiatives have already built relationships that support sustainable development. The history of the Department's relationship with northerners is different from that found in the south because the Department has retained some responsibility for the land and resources as well as the people. Devolution to the territorial governments now puts a different guise on how steps are taken towards sustainable development, and suggests a diminishing role for the Department in the North.

Part 3 reflects internal efforts by the Department to improve efficiency and to apply the principles of sustainable development and good environmental stewardship to its operations.

The Department will strive to attain the sustainable development goals outlined in this Strategy, but cannot do it alone. DIAND will require the collaboration of all those with whom it works. Sharing ideas and information, and demonstrating a willingness to learn from each other, are critical to the success of the Strategy. Next year, the Department will report on its progress, and in three years revisions will take into account the many political changes that are taking place and the achievements to date. Despite the uncertainties the Department faces, it is committed to sustainable development.

Glossary of Terms



Aboriginal Employment Program (AEP): The AEP is DIAND's umbrella program to hire Aboriginal people. Under the AEP, several specific initiatives are in place: the Masters Recruitment program, the Aboriginal Management and Executive Development Program, the Executive Recruitment Program, the Post-secondary Recruitment Program, and the Summer Student Program.

Aboriginal Management Executive Development Program: The objective of this program is to assist Aboriginal employees in achieving their advancement to Executive Group positions within DIAND.

Aboriginal Masters Program: A program that recruits a small number of high-potential Aboriginal master-level university graduates having the qualities to become future senior public servants.

Aboriginal Procurement Policy: Measures designed to increase the participation of Aboriginal businesses in bids for federal government contracts.

Action Plan: A plan that will define how the Department translates its sustainable development targets into measurable results, including specific policy, program, legislative, regulatory and operational changes.

Arctic Council: An intergovernmental forum made up of eight Arctic states that will allow these states and Arctic peoples to cooperate, coordinate and interact on common issues.

Band Resource Officer Program: A program designed to assist Aboriginal communities with developing the capacity to address resource development pressures facing their communities.

Biological Diversity: The variety of different species, the genetic variability of these species, and the variety of different ecosystems.

Community Economic Development Program: A program aimed at promoting greater Aboriginal participation in the Canadian economy.

Departmental Employment Equity Plan: A three-year Departmental plan for promoting employment equity.

Ecological Processes: The natural relationship between organisms and their physical surroundings.

Goals: Statements that establish an overall sense of direction and set the parameters for action by the Department. They are normally long term.

Interim Resource Management Program: This new program is designed to assist Aboriginal communities in unsettled land claims areas in the N.W.T. which are facing development pressures, to participate in resource management decisions affecting traditional lands.

Inuit Employment Plan: A plan that will increase the representation rates of Inuit employment within the Nunavut Territory for the planning period 1996-1999.

Intergovernmental Working Group on the Mining Industry: A committee of federal, provincial, and territorial representatives that provides advice to Ministers responsible for mining in the various jurisdictions in Canada.

International Agreement on Humane Trapping Standards: An international agreement among Canada, Russia and the European Union, establishing a standard for the humane capture of wildlife.

Issue Scan: An assessment of the Department's activities in terms of their impact on sustainable development.

Jurisdictions: The limits or territory within which authority may be exercised.

Mackenzie River Basin Transboundary Water Master Agreement: An agreement to establish common principles for the cooperative management of the aquatic ecosystem of the Mackenzie River Basin, to establish an administrative mechanism to facilitate application of these principles, and to make provisions for Bilateral Water Management Agreements.

Mackenzie Valley Resource Management Bill: Legislation that will provide an integrated system of land and water management in the Mackenzie Valley.

Mackenzie Valley Surface Rights Board Bill: Legislation that will establish a regime to resolve disputes between parties who have differing rights to the same land in the Mackenzie Valley area.

Mining Development Production and Reclamation Regulations: These regulations establish the terms and conditions for developing a mine, operating a mine and closing a mine.

Mining/Land Use Regulations: Regulations that provide an environmental screening process for mining activities.

Northern Information Network: A bulletin board system also accessible on the Internet for sharing information about northern Canada (<http://www.inac.gc.ca/NIN/NIN/html>).

Northern Mineral Policy: A policy that aims to improve the climate for investing in, and the competitive position of, the mineral sector in the territories.

Northern Science and Technology Strategy: This strategy provides for a framework within which the federal government, in partnership with northerners, can maximize the return on the federal investment in science and technology. Involving all federal departments and agencies concerned with science and technology in northern Canada, it will help to achieve Canadian objectives of sustainable economic and social development, environmental protection, management of resources and international cooperation in northern regions.

Nunavut Impact Review Board: A board established under section 12 of the Nunavut Final Agreement that will screen project proposals, define the extent of the regional impact of a project, determine whether a project should proceed, and monitor projects.

Nunavut Resource Management Bill: Legislation that will provide an integrated system of land and water management in Nunavut.

Nunavut Surface Rights Tribunal Bill: Legislation that will establish a regime to resolve disputes between parties who have differing rights to the same land in the Nunavut settlement area.

Objectives: The overall aims falling under each sustainable development goal. These are normally the focus of middle-term activity (5-10 years)

Program Service Transfer Agreement: In the Yukon, an agreement between the federal or the territorial government and a First Nations government, to transfer the authority and money to deliver programs directly e.g., housing, social services.

Protected Areas Strategy: A strategy currently under development by the GNWT that will propose a means of completing the protected areas network.

Public Works and Government Services: The mandate of PWGSC is to foster the cost-effective and efficient delivery of common services to government. It is the chief purchasing agent, publisher, accountant and paymaster and provides services in real estate, construction, telecommunications, etc.

Resource Access Negotiation Program: A program designed to help Aboriginal communities become involved with off-reserve resource development projects.

Royal Commission on Aboriginal Peoples: A commission established in August 1991 that reported on extensive consultations and made recommendations on a wide range of Aboriginal issues.

Shared Management Agenda: A document developed between the NWT Region and the Government of the Northwest Territories' Department of Resources Wildlife and Economic Development. It outlines common or shared work plan items on which both organizations agree to work collaboratively.

Sivuliuqtiit Management Development Program: A three-year training program to prepare Inuit for senior and middle-management positions in the Nunavut government.

Targets: Targets are DIAND's detailed performance requirements. These indicate the Department's priorities on separate issues. Fulfilment of the targets will provide the focal point for Departmental efforts towards sustainable development during the next three to five years.

Transboundary Air Pollutants: Contaminants that are transported long distances by air currents. Most of the organochlorine, heavy metals and radionuclides can be airborne contaminants, although the distances they can travel differs.

West Kitikmeot/Slave Study: A multi-partner study made up of the Government of Canada, the GNWT, the mining industry, and Aboriginal and environmental groups. The purpose of this study is to collect background information in the Slave Geological Province area of the West Kitikmeot in order to assist in better decision-making on resource development in the area.

Whitehorse Mining Initiative: A multi-stakeholder process which culminated in the mining industry, senior governments, labour unions, Aboriginal peoples, and the environmental community signing an Accord that contains a vision statement, principles and goals for a socially, environmentally and economically responsible mining industry.

Yukon Forestry Policy: A policy that will promote management of the Yukon forest resources in ways that ensure sustainable, economic and social benefits for the people of the Yukon, integrated use of the resources, and a healthy environment.

Annexes

1. Departmental Profile
2. Results of Northern Consultations
3. Baseline Study of Taxes, Grants, and Subsidies – Executive Summary
4. North of 60°N Issues Scan – Executive Summary

Annex 1

Departmental Profile

Building on the 1997-98 Estimates, *A Report on Plans and Priorities*, this section outlines what the Department does and how it does it.

Roles and Responsibilities

DIAND's broad mandate is reflected in its mission statement, "Working together to make Canada a better place for First Nations and northern peoples." This mission must be accomplished in a highly complex environment. DIAND has primary responsibility for meeting the federal government's constitutional, political and legal responsibilities to First Nations and the North. The Department must ensure that Status Indians living on reserves have access to the same basic services provided to other Canadian residents by provincial and municipal governments.

Over large areas in the North, institutions of public government with responsibilities for natural resource and environmental management are being created pursuant to northern land claims agreements. The establishment of co-management boards means that DIAND is changing. It is no longer an organization fulfilling regulatory responsibilities. Instead, it must function as a landowner, an intervenor, a technical expert, and an advisor to the Minister (who will respond to the recommendations of the boards).

Organization and Program Composition

The Department ensures access to basic services for Status Indians living on reserves. Increasingly, this is done by funding First Nations to provide the services themselves. These services include education, housing, community infrastructure (roads, water, sewage systems) and social support services. The Department promotes economic development, negotiates and oversees the implementation of comprehensive and specific land claims settlements, and implements practical forms of self-government. In the North, the Department assists in the development of political and economic institutions, protects the environment and manages the sustainable development of natural resources (including mining, oil and gas, forestry in the Yukon, land and water). It also manages ongoing federal interests, including the administration of Crown land in the Yukon and the N.W.T.

To meet its responsibilities, the Department is organized into four business lines: Claims, Indian and Inuit Programming, Northern Affairs, and Administration.

- **Claims** negotiates and settles accepted comprehensive claims; ensures that the government meets its legal obligations as set out in the *Indian Act* and in treaties, by settling specific claims and monitoring implementation agreements; provides research funding to Aboriginal claimants; and supports the Department of Justice in matters of litigation with First Nations.

- **Indian and Inuit Affairs Program (IIAP)** includes First Nations Funding, Lands and Trust Services, and Regional Direction. The relationship between First Nations and the federal government has changed significantly over the past 40 years. Through devolution, DIAND has reduced its involvement in the direct delivery of basic services on reserve. First Nations have taken greater responsibility for their communities' administration and for program and policy decisions. This has strengthened their ability to govern themselves, and build skills and confidence within the communities. The result is a program that operates primarily as a funding agency. Of the funding allocated to the program by Parliament, about 83 percent goes directly to First Nations and their organizations through various funding arrangements. A further 10 percent is transferred to the provinces for program services. The Department administers only seven percent of these funds directly; most relate to legal obligations with respect to land management and governance.

Pursuant to funding agreements, most First Nations have the authority to manage these funds to meet community priorities. They must also meet minimum program standards. The Department monitors the agreements to ensure compliance; it also requires audits of First Nation accounts on the final disposition of these funds. This monitoring and management function has become one of the Indian and Inuit Affairs Program's most important business roles.

Lands and Trust Services (LTS) is responsible for the exercise of the Minister's statutory responsibilities under the *Indian Act*. This entails the management and administration of reserve lands through the conveyance of third-party interests, the application of environmental laws and policies, and the management of natural resources on reserve. Together with First Nations, LTS also administers a governance function and trust funds. It is actively involved with various devolution strategies for each of these functions, in keeping with the objectives of sustainable development.

- The **Northern Affairs Program (NAP)** helps northerners, both Aboriginal and non-Aboriginal, to develop the institutions they need in order to take responsibility for decisions that affect them directly. Until responsibility is in the hands of territorial governments, the NAP's responsibilities are four-fold: to support northern political development; to protect and rehabilitate the northern environment; to establish legislation and institutions of public government for the management of natural resources and environment pursuant to northern land claims agreements; and to manage the sustainable development of the North's natural resources in a manner that will generate jobs, and foster social and economic well-being.

Powers are increasingly shared with Aboriginal organizations as land claims are settled and new regulatory boards are established under them, and with the territorial governments as devolution proceeds. Indeed, with the exception of certain natural resource and environmental responsibilities, the territorial governments already have responsibility for most provincial-type functions — justice, education, public health, welfare, the maintenance of municipal institutions, the management of wildlife, and some others.

The Department retains important responsibilities. As a result, it continues to be a key player in the promotion of sustainable development. It manages and assists in the development of the North's natural resources, including water, lands, forests, minerals, oil and gas — resources

which are normally managed by the provinces in the south — and protects and rehabilitates the Arctic environment through the delivery of specific programs. These activities are carried out over an area covering three million square kilometres (40 percent of Canada's land mass). It also manages federal interests by helping to build strong northern public governments. It is doing this, for example, by helping to create Nunavut by 1999, and devolving provincial-type responsibilities, by implementing land claim agreements, by promoting northern research throughout Canada and by establishing strong international Arctic relations.

- The **Administration Program** supports DIAND's operating programs, providing policy direction, coordination and central advisory services. It is responsible for administrative services and guidance in finance, human resources and technical services. It provides liaison with Parliament, Cabinet policy committees, other federal departments and other levels of government. In implementing the Stewardship Initiative (the greening of internal operations), the Administration Program will make DIAND's daily office and field operations greener.

Of necessity, the Departmental Strategy is affected by DIAND's areas of responsibility. It involves negotiating agreements which recognize the inherent right of First Nations to govern themselves and to be involved in making decisions that affect the sustainability of their traditional lands. It also involves fine-tuning all aspects of the *Indian Act* and its regulations to enable DIAND and interested First Nations to pursue sustainable development within the limitations of the Act. In the Northern Program, the devolution of province-like powers to the territorial governments leads to greater local decision-making.

Statutes Administered by the Department of Indian Affairs and Northern Development

Alberta Natural Resources Act

Arctic Waters Pollution Prevention Act

British Columbia Indian Cut-Off Lands Settlement Act

British Columbia Indian Lands Settlement Act

British Columbia Indian Reserves Mineral Resources Act

British Columbia Treaty Commission Act

Canada Lands Surveys Act

Canada Petroleum Resources Act

An Act Respecting the Caughnawaga Indian Reserve and to Amend the Indian Act

Condominium Ordinance Validation Act

Cree-Naskapi (of Quebec) Act

Department of Indian Affairs and Northern Development Act
Dominion Water Power Act
Fort Nelson Indian Reserve Minerals Revenue Sharing Act
Grassy Narrows and Islington Indian Bands Mercury Pollution Claims Settlement Act
Gwich'in Land Claim Settlement Act
Indian Act
Indian Lands Agreement (1986) Act
Indian Oil and Gas Act
Indian (Soldier Settlement) Act
James Bay and Northern Quebec Native Claims Settlement Act
Land Titles Repeal Act
Manitoba Natural Resources Act
Manitoba Supplementary Provisions Act
Natural Resources Transfer (School Lands) Amendment Act, 1961
An Act to Confirm an Agreement Between the Government of Canada and the Government of the Province of New Brunswick Respecting Indian Reserves
An Act to Amend the National Parks Act and to Establish a National Park in the Province of Newfoundland
Northern Canada Power Commission (Share Issuance and Sale Authorization) Act
Northern Canada Power Commission (Yukon Assets Disposal Authorization) Act
Northwest Territories Act
Northwest Territories Waters Act
An Act to Confirm an Agreement Between the Government of Canada and the Government of the Province of Nova Scotia Respecting Indian Reserves
Nunavut Act
Nunavut Land Claims Agreement Act
Pictou Landing Indian Band Agreement Act
Railway Belt Act
Railway Belt and Peace River Block Act
Railway Belt Water Act
St. Peters Reserve Act
St. Regis Islands Act
Sahtu Dene and Métis Land Claim Settlement Act
Saskatchewan Natural Resources Act
Saskatchewan Treaty Land Entitlement Act
Sechelt Indian Band Self-government Act

*An Act for the Settlement of Certain Questions Between the Governments of Canada
and Ontario Respecting Indian Reserve Lands*

An Act Respecting the Songhees Indian Reserve

Split Lake Cree First Nation Flooded Land Act

Territorial Lands Act

Waterton Glacier International Peace Park

Western Arctic (Inuvialuit) Claims Settlement Act

Yukon Act

Yukon First Nations Land Claims Settlement Act

Yukon First Nations Self-government Act

Yukon Placer Mining Act

Yukon Quartz Mining Act

An Act to Amend the Yukon Quartz Mining Act and the Yukon Placer Mining Act

Yukon Surface Rights Board Act

Yukon Waters Act

Annex 2a

Report on Phase I and II Northern Sustainable Development Strategy Consultations

The requirement for a strategy occurred at a time when the federal government's roles and responsibilities are rapidly evolving as a result of:

- land claims and self-government agreements (and the ensuing creation of new regulatory boards and agencies);
- devolution discussions with the territorial governments (in particular in the Yukon); and
- the creation of the new territory of Nunavut in 1999.

Consultation Process

Consultation is a key part of doing business for DIAND. For the preparation of the Departmental Strategy, this was reinforced by the *Guide to Green Government* (1995), which recommended that strategies be developed with clients/partners. Departments faced a number of challenges when consulting on this initiative because this came at a time of reduced funding and downsizing; sustainable development is conceptual in nature, making it difficult to move from words to actions; and all federal departments are competing for stakeholder attention. The development of a DIAND strategy is further complicated by the rapidly evolving roles and responsibilities of the federal government with respect to land claims and self-government agreements.

Leadership Role

In order to address the "consultation fatigue" of northerners, DIAND took a lead role and offered to coordinate sustainable development strategy consultations on behalf of other federal departments in the North. The benefits of a coordinated approach include: cost savings, less duplication, reduction in consultation fatigue, pooling of experience and responses, helping to build a common understanding, and a more consistent approach to sustainable development. The joint federal consultation process consisted of two phases.

Phase I Consultations

The first phase of consultations took place in December 1996 and focused on:

- increasing awareness and understanding of sustainable development requirements, principles and benefits to Northerners;
- obtaining feedback on DIAND's proposed sustainable development goals and principles;
- seeking advice on a list of priority sustainable development issues and the steps required to address these issues in the strategies; and,
- seeking advice and options for phase II consultations.

Phase I participants were selected on the basis of broad representation and their knowledge of departments' sustainable development issues. Workshop participants represented the territorial governments, industry, environmental groups, women's groups, and regional Aboriginal political and renewable resource organizations (*Sustainable Development Strategy: Phase I Consultations North of 60 Workshops* (Feb. 1997) and *Yukon Report on Phase I Consultations* (March 1997)).

Five federal departments (DIAND, Environment, Heritage, Fisheries and Oceans, and Natural Resources) participated in phase I consultation activities and worked together to prepare *Towards a Sustainable Development Strategy for North of 60N: Discussion Paper*. Annexes to the discussion paper highlighted challenges facing each participating department.

Workshops were held in Yellowknife, Iqaluit and Whitehorse. In the N.W.T. the workshops were generally well-attended; however, due to previous commitments, some Aboriginal political and renewable resource organizations could not be represented. The Whitehorse workshop included representatives from the federal departments and some non-governmental organizations. Discussions also took place with individual clients and partners.

The five federal departments presented background information on their northern programs and discussed progress on this Sustainable Development Strategy. Many of the messages heard during consultation were similar in each location, particularly messages about the need to improve consultation processes, the need for partnership and the need to build capacity.

Promoting Consultation

Seen as the most important component of sustainable development, consultation experiences should be evaluated and incorporated into a model for future use. A successful consultation model will allow time and resources for community visits and make use of other northern methods of information sharing, such as community radio. Consultation should be completed in stages to allow participants to go back for organization/community input.

Enhancing Partnerships

Success in implementing sustainable development strategies will depend on partnerships, especially given the mandates of new co-management organizations. Partnerships should be promoted between federal departments, and between government and northern groups, regionally and internationally. If established, a N.W.T. Round Table on the Environment and Economy, for example, could contribute to addressing sustainable development issues.

Interdepartmental Cooperation/Coordinating Information

Strategies should provide a federally coordinated approach to allow for information dissemination in a timely and easily understood form. This information should include assessments of how departments are living up to their sustainable development objectives. Inuit requested involvement in sustainable development-related research and recommended that Nunavut research organizations be consulted concerning research strategies. Federal departments were asked to introduce consistency in balancing social, economic and environmental considerations.

Promoting Community Empowerment

Communities need to be empowered to participate effectively in implementing sustainable development policies and projects. The settling of land claims, information dissemination, translation of regulations, training and education, use of traditional knowledge, and building respect and trust can do this. The promotion of Aboriginal economic development programs (such as *Grubstake*) will also assist.

Developing a North of 60°N Strategy

Recognizing that the North is a unique place in terms of its social, political, economic and biological environment, the key federal departments, including Environment, Fisheries, Natural Resources and Parks, should work to develop a north of 60°N strategy.

Including Traditional Knowledge

Traditional knowledge should be given equal recognition with scientific knowledge in the Strategy and related research. This is a standard which departments should consider responding to in their sustainable development principles and draft strategies. The challenge of working with traditional knowledge, given the issue of intellectual property rights, was raised.

Addressing Contaminants and Health

The Arctic Environmental Strategy ended in March 1997 and concerns were raised over the future work. Strategies should encourage partnerships with communities, and improve education and communication to address the ongoing issues of contaminated sites and the long-range transport of contaminants in the North.

Yukon Devolution

Concern was raised with respect to how the devolution of the Northern Affairs Program to the Yukon will affect this initiative. Participants recommended that the Strategy carry sufficient momentum to engage the Yukon government.

Clarifying the Regulatory Regime

Clarifying and streamlining the regulatory regimes are necessary, as is an assessment of the regime's consistency with land claims provisions and strategies.

Addressing Land Use and Resource Access

Sustainable development should address some of the ongoing debates regarding competing land use, for instance "free entry" and the disposition of mineral rights.

Recognizing Land Claims

Strategies must recognize and respect existing and future land claims, including inherent rights of Aboriginal people, and the mandates of Aboriginal and co-management bodies with regard to sustainable development.

Ensuring Gender Equity

All new federal policy is required to undergo a gender-based analysis. Each department should conduct this analysis on its draft strategy.

Phase II Consultations

Phase II focus group sessions were held in June and July 1997 and sought:

- feedback, comments, and reaction on the draft goals, objectives, targets and action items — questions such as: Are these the right actions? What more should be included?;
- advice on where and how relations and partnerships can be strengthened to achieve sustainable development; and
- views on an integrated sustainable development strategy for the North in the future.

In response to advice provided by phase I participants, the phase II consultation process was modified to include more community representatives and smaller focus group sessions. In June 1997, six sessions were held in six northern communities (Inuvik, Yellowknife, Iqaluit, Rankin Inlet, Whitehorse and Cambridge Bay), as well as a session with Ottawa-based northern groups in July. An additional follow-up session was held in Whitehorse so that First Nations could focus more specifically on the DIAND draft. Five federal departments participated: DIAND, Fisheries, Environment and Natural Resources, as well as National Defence who joined the Whitehorse session. Participants included representatives from Aboriginal organizations, resource management boards, environmental NGOs, industry, chambers of commerce, northern research institutions, and community representatives (*Sustainable Development Strategy North of 60: Report on Public Consultations Phase II*, November 1997).

The firm, Aboriginal Consulting Network, in conjunction with Geo North Limited, was contracted to plan, facilitate and write up the results of the northern meetings. In addition, the Council of Yukon First Nations planned and facilitated the Yukon meeting, and Resource Futures International facilitated the Ottawa meeting. All results are summarized in the above-mentioned consultation report.

Following an introduction outlining what the initiative was and a presentation on the results of phase I, the focus groups consisted of federal presentations followed by open discussions. DIAND led with a presentation on our approach and our draft Action Plan. Participants provided direct feedback on the actions outlined and provided further actions for inclusion. Actions related to political development, transferability, traditional knowledge and environmental programs figured heavily. A summary is provided below.

Political Development

- Need to maintain and promote new resource management organizations (i.e., boards) and recognize their role in promoting sustainable development
- Concern about federal strategies undermining claims commitments/obligations and the authority of boards — request that the strategies make clear statements about transferability

- Need for the strategy to recognize Aboriginal people as equal partners following the settlement of land claims — should state clearly how departments will function and relate to Aboriginal peoples during the interim period until all claims are settled and devolution occurs
- Recognize that sustainable development is an important part of land claims and that DIAND should work closely with co-management organizations in implementing it

Process Issues

- Federal sustainable development strategies should be consistent and integrated and work towards a single federal northern strategy — request that inconsistencies among the strategies be identified and “fixed”
- Need to recognize that the lack of federal integration and the fact that everyone is on a different time schedule makes it difficult for participants to compare strategies for consistency
- Concern about how the strategies will be implemented within existing or reduced budgets — How will departments be held accountable? Strategies should clarify who the implementing body is
- The consultation process must be improved (e.g. need more funds and more time to respond); request that DIAND follow the RCAP recommendations on intervenor funding and having Aboriginal people design the process

Other Issues

- Lack of federal integration
- Request that legislation be consistent with sustainable development (e.g. the “free entry” mining system was challenged by some)
- Strong desire to move decision-making to the community level so that the Strategy evolves from the bottom up rather than the top down (recognize that as Aboriginal governments, their power is community based)
- Need for a NWT Round Table on Environment/Economy
- Need stronger commitments to environmental monitoring and research, including contaminants and waste clean-up
- Develop with Aboriginal people a protocol or policy for traditional knowledge; define what is meant by the term and how the federal government will use it
- Need for increased capacity/training opportunities in the North
- Need to include conservation and protection initiatives in the draft; this work must be done in advance of environmental threats
- Comprehensive claim process must be implemented with sustainability in mind
- International work on contaminants should build in northern interests and continue to involve northerners, using the AES Partners model

Environment Canada presented their final strategy which had been tabled on Earth Day, and sought feedback on their northern programs. Fisheries and Natural Resources presented draft discussion papers. National Defence presented a draft action plan to the Whitehorse focus group.

Annex 2b

Issues Raised in Northern Consultations that are Not Addressed in the Draft Sustainable Development Strategy

This table is designed to capture suggestions and recommendations raised in the consultations held throughout the NWT and the Yukon which were not explicitly written into the Strategy. The recommendation is outlined in column 1 and the reason for not including it in the Strategy itself is provided in column 2. This is intended in the spirit of transparency and to re-enforce that “we heard you.” Full reports on the Phase I and Phase II consultations are also available on request.

Suggestion	Response
1. The Canadian Council of Ministers of the Environment Guidelines should be used in the development of consultation policy for DIAND.	The guidelines will be considered in the development of any Departmental consultation policy.
2. A Northwest Territories Round Table on the Environment and the Economy should be developed with a parallel Aboriginal Round Table.	Round tables have been generally organized by provincial or territorial governments. An earlier round table organized by GNWT was discontinued. Given our mandate and that of the GNWT, it would be inappropriate for DIAND to initiate such a forum.
3. There is a need within the Strategy for a more detailed action plan with budget allocations included.	The action plan in Part II of our Sustainable Development Strategy is already quite detailed for a “strategy,” particularly when compared with that of other departments. Annual Departmental and regional work plans will provide a greater level of detail.
4. There is a need for a long-term sustained Northern Contaminants Program and DIAND should take a strong position on pursuing contaminants work.	Agreed. DIAND continues to be a strong advocate of the Northern Contaminants Program. Funds have been confirmed for 1997-98. DIAND, with other key departments, will continue to seek longer-term funding.
5. Federal departments should pay for pollution that they caused, thus adopting the “polluter pay” principle.	DIAND subscribes to the intent of the “polluter pay” principle. DIAND has spent millions of dollars in clean-up through the Arctic Environmental Strategy (AES) and other programs. The Department will continue to clean up in a systematic manner, addressing as a priority, abandoned waste sites where there are significant risks to human health and safety, or where legal obligations exist.
6. The 10-year plan for northern waste clean up is too long. Could the work not be done in a shorter time frame?	Waste clean-up in the North is extremely expensive, and the department simply could not afford to clean-up all sites immediately. The 10-year plan reflects a reasonable cash flow and allows for a rational approach to prioritization, planning and clean-up. It also recognizes the limitations of a short field season in the North.

Suggestion	Response
7. Greater public input into setting clean-up priorities is required.	Agreed that public input is important, and that it must be sought within the fiscal limitations and realities within which the government must approach waste clean-up. DIAND is using a risk assessment approach to give priority to waste sites where there are significant risks to human health and safety, or where legal obligations exist. Communities are involved in decisions related to the clean-up of specific sites, and efforts are made to employ community members in the clean-ups themselves.
8. DIAND should address the issue of "free entry" mining in the Northwest Territories.	The issue of "free entry," along with other issues, will be considered in the context of a comprehensive review of the Canada Mining Regulations. This review will take place after the current agenda for changes mandated by the settlement of land claims is completed, and the related resource management boards are established and operational.
9. DIAND should develop an Impact and Benefit Agreement Policy and process.	Impact Benefit Agreements are generally between two parties, the developer and the community. DIAND's approach continues to be one of advocating such bilateral discussions at the earliest opportunity.
10. Northern businesses should be advised of proposed regulatory changes.	DIAND consults on all significant legislative and regulatory changes. The Gazetting process also provides this opportunity.
11. DIAND should become more involved in "sustainable economic development."	Sustainable development includes economic development. DIAND will continue to integrate environmental, economic and social considerations into its decision-making. The Department will do what is within its mandate as reflected in this Strategy.
12. There is a need for companies to provide compensation for marine-related damage.	Existing federal legislation such as the Arctic Waters Pollution Prevention Act, the Canada Shipping Act and the Canada Oil and Gas Operations Act, plus the Inuvialuit Final Agreement and the Nunavut Final Agreement, provide mechanisms to determine liability of companies for marine-related damage.
13. DIAND should respond to Yukoners' concerns related to the Northern Cross situation.	The Department believes it has responded to the range of issues raised by various interest groups in the Yukon on the Northern Cross issue.
14. DIAND should involve municipalities in pursuing northern sustainable development.	Municipalities were invited to participate in the development of this Strategy. The Department also works closely with the territorial governments, which carry the principal responsibility for municipal affairs.
15. Request First Nation representation on the Arctic Council.	A procedure for permanent First Nation and non-government organization (NGO) participation on the Arctic Council is currently being developed by the eight participating nations.
16. What is the policy regarding the provision of public money for infrastructure to promote mineral development and other development (e.g., with roads)?	The Department treats any such proposal on its own merits, and deals with individual infrastructure requests on a case-by-case basis.

Suggestion	Response
17. In the Action Plan (goal #1, objective i), add the term "maintain" to "promote" with respect to northern political development.	The use of the term "maintain" was seen as unnecessary. Promote better captures the overall objective of the Department to continue moving to a system where north-erners govern themselves.
18. Resource management boards should be involved in the May 1998 Circumpolar Sustainable Development Conference, planned for Whitehorse .	This is an excellent idea. DIAND will call on the expertise of resource management boards.
19. There is a need for the creation of brochures explaining the mandates and responsibilities of land claim bodies.	The Department encourages these bodies to produce such brochures.
20. There is a need for a course to be designed on the Nunavut Land claim.	The Department encourages Arctic College, or another institution to do this.
21. DIAND should undertake to translate terms related to sustainable development into the many other languages used in the North.	DIAND continues to recognize the importance of commu-nication throughout the North, and includes consultation and communication in all of its planning. Major documents will continue, for example, to be translated into Inuktitut. However, the Department does not have the means to make this recommendation a priority.
22. There were a few editorial suggestions related to statements made in the Annex entitled the North of 60° Issues Scan.	This scan consists of a self assessment, through interviews with Departmental employees. The report was written by Goss Gilroy Inc. DIAND did not wish to edit this indepen-dent report.
23. DIAND should attempt to better coordinate efforts with other departments on fur trapping and the trapping ban issue.	As with many international initiatives, DIAND is coordinat-ing its efforts with DOE and DFAIT. This co-ordinated approach to international lobbying has proved to be very successful as shown in the recent progress with the European Union.
24. What is the strength of DIAND's commitment to the fur issue?	DIAND is committed to ensuring Canada will be able to meet its obligations under the International Agreement on Humane Trapping Standards. This agreement was initiated by Canada, the European Union and Russia and will likely be ratified before the end of 1997. In response to the Agreement, DIAND, together with other federal depart-ments and provincial and territorial governments, is now taking measures to ensure fur harvesting is protected as a sustainable activity for the continued benefit of both Aboriginal people and the fur resource.

Annex 3

Department of Indian Affairs and Northern Development: A Baseline Study of Grants, Subsidies and Taxes to identify Barriers to sound Environmental Practices

Prepared by: Resource Futures International (RFI)

The views expressed in this report are those of the consultants, and not necessarily those of the Department of Indian Affairs and Northern Development.

Executive Summary

Following hearings and extensive discussion, the House of Commons Standing Committee on Environment and Sustainable Development issued a report entitled *Keeping a Promise: Towards a Sustainable Budget*. The subsequent federal government response commits federal departments to conduct a baseline study which identifies taxes, grants and subsidies that may create barriers to environmentally sound practices.

While work on other financial measures is to be completed by the Department of Finance, individual departments are required to conduct their own baseline study of subsidies, grants and some tax measures such as royalties. This study is the baseline study for the Department of Indian and Northern Affairs Canada (DIAND). Its purpose is to identify potential barriers to sound environmental practice in the management of DIAND subsidies, grants and revenue measures, and make recommendations about directions for further review and improvement. DIAND's subsidies, grants and revenue measures are managed on a program basis.

To achieve this purpose, given its limited scope, this baseline study has had to meet two challenges: (i) the funding activities of the Department are diverse and comprehensive, covering a wide range of programming needs; and (ii) the Department has been delegating and continues to delegate responsibility for administrative activities and for programming to First Nations and other Departmental stakeholders.

To address these challenges, the study:

1. focuses only on (i) direct subsidies, and (ii) revenues from natural resource royalties and stumpage fees;
2. focuses on a narrow definition of the environment, emphasizing adverse impacts on the biophysical environment;
3. excludes an examination of programs designed to improve the environment;
4. excludes an examination of funding for operational, administrative or technical support provided by DIAND; and
5. takes a two-phase analytical approach which targets specific subsidies for more detailed analysis.

In the first phase, we conducted a preliminary review of each Departmental program by asking:

1. Does the program include subsidies that support non-administrative functions or activities?
2. Does the program have a non-environmental focus?
3. Do program subsidies or revenue-generation measures relate to projects, activities or incentives that might potentially lead to negative environmental impacts or unsustainable natural resource utilization?

Only if we answered yes to all three questions did we consider a program in more detail in Phase 2. In the second phase of the study, we assessed whether there might be barriers to sound environmental practices by answering the following questions:

1. What is the size and purpose of the financial measure (subsidy, royalty or stumpage fee)?
2. How does the Department distribute the subsidy or from whom does it collect revenue?
3. What process (if any) is used to identify environmental effects from subsidized activities?
4. What are the adverse environmental impacts of the subsidized or revenue generating activities?
5. What would happen to the activity if the subsidy were removed or reduced or if the revenue collected were changed?
6. What portion of funds required for the activity come through the subsidy, or what fraction of the total revenue is collected by DIAND?
7. Are there alternative ways to achieve the objective of the measure in an environmentally preferable manner?

To address these questions, we reviewed documents and literature pertaining to key programs, and conducted interviews with DIAND officials. To identify unsound environmental practices, we looked to see if the Department had: (i) a clear statement of environmental objectives, (ii) procedural safeguards in place (e.g., stakeholder involvement with deliberate consideration of environmental impacts), (iii) applied full cost pricing, and (iv) taken efforts to manage potential environmental impacts. In some cases we have found barriers to sound environmental practices, although overall, our findings indicate that the Department is systematically working to remove these barriers.

We note that this study is not a detailed assessment of the potentially positive and negative environmental impacts of DIAND's subsidies, grants or revenue measures, nor an exhaustive evaluation of environmental practices. This would require a project-by-project analysis of all candidate programs, which is beyond its scope. Instead, our method has allowed us to determine the potential for specific subsidies or financial measures to create barriers, and to document any unsound environmental practices uncovered during the course of the investigation.

As such, this baseline study identifies areas the Department should consider reviewing more closely, complementing other work done by the Department in preparing its Sustainable Development Strategy including recent issue scans and discussion papers.

We make the following observations and recommendations about key DIAND programs as a means to further its current progress in supporting sound environmental practices.

Northern Air Stage Program:

- The principal objective of the Northern Air Stage Program is to reduce the cost of nutritious perishable food and other essential items in isolated northern communities that do not have year-round surface transportation, thereby improving nutrition, health and well-being in these communities.
- While there are currently no data available, interviews with DIAND staff reveal at least two possible sources of negative environmental impacts: solid waste and impacts associated with air carrier activity.
- There has been no consideration of the environmental impacts of the program in the design of the subsidy. We note, however, that the overall environmental impact of the program relative to alternatives could be positive.
- The Department should consider conducting a more detailed review of the potential environmental impacts associated with this program.
- Based on the results of its review, the Department may wish to revisit its criteria for eligibility (currently focused on nutritional elements of the program) to include criteria which help to reduce potential environmental impacts (for example, when all other things are equal, by favouring products with less packaging).
- The Department may also wish to reduce solid waste, if appropriate, by exploring possible policies on waste recovery and recycling, or perhaps by shifting the subsidy to account more fully for its potential environmental costs.
- Where feasible, we recommend that the Department support local community accountability for environmental performance. For example, in addition to shifting eligibility criteria for the program, local education programs or participation with local or northern governments could help to manage the impacts associated with the program.

Natural Resources:

- We assessed revenue collection measures from two major categories of resources: timber and granular material such as gravel and sand.
- The environmental effects from timber harvesting can include loss of habitat with resulting impacts on populations of game and non-game species, soil erosion and compaction, impacts on other land uses (e.g. tourism), and increased risk of fires.
- The potential effects from the extraction of granular material are similar to those for forest harvesting, but tend to be more localized.
- Considering the local nature of resource use, the charges for both timber and granular material are unlikely to have a major impact on decisions about whether to carry out extraction or harvesting activity in a given area. There is an incentive to increase local processing of harvested timber. There is also a proposed new regulation to increase discrimination of sand and gravel users that could lead to higher demand for lower-grade materials.
- These incentive programs suggest that these extraction and harvesting activities are being promoted, yet there is preliminary evidence to suggest that DIAND may not be capturing the full resource rent.

- We recommend that DIAND review the royalties for granular material and the stumpage fees for timber harvesting to determine the magnitude of the impact on overall economic activity. We also recommend the Department conduct a more detailed review of how environmental considerations can be integrated into its royalties and stumpage fees. Based on this review, we also recommend that DIAND examine how the fee structures may be adjusted to better account for the environmental impacts of the activities.

Oil and Gas Management:

- The single largest sources of revenue for DIAND come from oil and gas developments. The federal government's one third stake in the Norman Wells project plus the royalties from Imperial Oil, the other partner in this project, provide over \$50 million per year. Three other fields in the territories are currently providing royalties to DIAND: Kotaneelee (Yukon), Pointed Mountain (NWT), and Bent Horn (NWT).
- The potential environmental damage due to oil and gas exploration and production is probably greater off-shore than on-shore. Concerns include impacts on marine mammals in the near shore area of the Beaufort Sea. Other potential impacts include oil spills, effects due to construction of roads, and noise impacts on wildlife.
- Oil and gas development in the North has been largely static because of low prices and political uncertainty around land claims, although activity is now increasing in some geographic areas. Existing developments are providing DIAND with significant revenues and current procedures for environmental protection appear to address potential impacts in a satisfactory manner.
- The royalty regime for currently proposed projects appears designed to promote economic activity and may not capture the full resource rent. The regime could be shifted to account more fully for environmental considerations. As a result, there may be a barrier to sound environmental practices.
- DIAND should examine ways of ensuring that the full resource rent is captured from oil and gas exploration and development. DIAND should also consider ways of modifying the royalty scheme to incorporate possible environmental effects more fully.

Mines and Minerals Management:

- Under the Canada Mining Regulations, DIAND collects revenue from base metal and gold mines in the territories. The new diamond discoveries in the Northwest Territories will be an additional source of funds.
- The potential environmental impacts from mining include effects related to construction of resource access roads (both positive and negative), destruction of fish habitat, and contamination of air, water and soil. Acid mine drainage is a particular concern for some areas, depending on the native rock and the water flow patterns in the vicinity.
- Environmental protection measures include a requirement to consider potential environmental impacts through CEAA. The Metal Mining Liquid Effluent Regulations under the Canadian Environmental Protection Act will constrain some of the environmental impacts that may result from mining developments. These regulations are currently being revised. The territorial land management boards also have regulatory responsibilities that affect environmental quality.

- The current low effective royalty and income tax rates have the effect of increasing the attractiveness of the territories as a location for mining investment compared to other jurisdictions, offsetting disadvantages such as the lack of infrastructure.
- If the revisions to the Canada Mining Regulations are implemented by the Department, they will shift some of the resource revenues toward the Crown and toward Aboriginal people, but are unlikely to have a major influence over the total level of economic activity.
- The current regime promotes economic activity and with it, the potential for adverse environmental impacts. Major disincentives to sound environmental practices in the current scheme will be removed with the proposed revisions.
- In the context of the current review and the development of possible new regulations, DIAND should carefully review the proposed royalty scheme to determine its potential for increasing adverse environmental impacts. If there is a potential for increased adverse impacts, we recommend that DIAND consider modifications to the royalty regime to offset those impacts.
- DIAND should carefully consider the environmental consequences of possible revisions to the royalty regime under the *Yukon Quartz Mining Act* and the *Yukon Placer Mining Act*. This could include review by a joint committee of royalty and environmental experts in DIAND and other departments.

Housing Program:

- The goal of the housing program is to assist First Nations to establish and maintain a level and quality of family accommodation that meets National Building Code standards.
- There is a host of potential environmental impacts associated with housing construction, including impacts on ground and surface water quality, changes in water supply, and impacts on wildlife and vegetation. Construction wastes, potential fuel spills, and long-term, cumulative impacts are also associated with housing development.
- At a minimum, by applying a preliminary environmental assessment, First Nations consider whether individual housing developments require assessments under the *Canadian Environmental Assessment Act*. In some cases, housing proposals may require environmental screening. We note that the current guidelines for the development of First Nation housing proposals do not require the identification of environmental impacts.
- The Department should begin a systematic assessment of potential environmental impacts associated with its housing program.
- While the delegation of responsibilities for housing proposals helps to anticipate and prevent negative impacts, the guidelines for the development of housing proposals by First Nations should be amended to require documentation of environmental impacts, regardless of whether this consideration is required for projects under the CEAA.
- The Department should also develop additional secondary criteria on environmental impacts to assist DIAND staff in their review of housing proposals.
- Given the significant role that First Nations play in the implementation of housing proposals, the Department should work with the Canada Mortgage and Housing Corporation and strive to inventory and share best environmental practices in housing development.

- The Department should support the use of community environmental management frameworks and other integrated community planning tools (e.g. comprehensive community-based planning) in the development of housing proposals to ensure that environmental considerations are made as early as possible.

Capital Facilities and Maintenance Program:

- The on-reserve capital facilities and maintenance program provides funding and support for Indian and Inuit communities to acquire, operate and maintain basic non-residential community facilities across Canada. Basic community facilities include schools, roads, community centres, water and sanitation systems, electrification, fire protection and other facilities.
- There are a diverse array of project-specific environmental impacts possible under this program. For all major capital projects, Departmental procedures require Real Property Services to review project proposals submitted by First Nations. The reviews are conducted to ensure that the proposals meet minimum content requirements, including environmental assessments as required under the *Canadian Environmental Assessment Act*.
- We have not found any significant barriers to sound environmental practice associated with this program and have found evidence that the Department is working systematically to improve environmental practices.
- As an example, any potential environmental impacts associated with projects funded by the program will be addressed through either the *Canadian Environmental Assessment Act* and/or by involving First Nations in decisions pertaining to community servicing.
- Although the Department is increasingly successful at managing project-level impacts, to improve environmental practices, DIAND should support integrated approaches to community planning which strive to anticipate and prevent environmental impacts, and perhaps shift the need for infrastructure from the outset.
- In assisting First Nation communities to develop effective capital facilities, the Department should work to inventory and share best environmental practices emerging from other First Nation communities and from other jurisdictions in Canada. In addition, the Department should support the use of proven alternatives and new technologies when these are likely to improve environmental performance.

Economic Development Programs:

- The Economic Development Directorate offers four programs aimed at promoting greater Aboriginal participation in the Canadian economy, with emphasis on promoting self-reliance and on finding and taking advantage of economic opportunities. These programs are the Community Economic Development Program, the Commercial Development Program, the Resource Access Negotiations (RAN) Program, and the Research and Advocacy Program. Our review focussed on the Community Economic Development and Resource Access Negotiation programs.
- The Department has scheduled an interim evaluation of Economic Development for 1997-1998 during which it may want to consider the findings of this baseline study.

Community Economic Development Program (CEDP):

- The Community Economic Development Program (CEDP) is the Department's most significant economic development program component. The CEDP consists of two elements: 1) Community Economic Development Organizations; and 2) Regional Opportunities Program.
- Community Economic Development Organizations (CEDOs) are self-managed advisory and program service organizations operating in First Nation communities. They provide First Nations with the structure to manage their own business enterprises, economic institutions, job training and skills development.
- The Regional Opportunities Program (ROP) focuses on regional sectoral development advisory and extension services. The program provides the means to take advantage of region-wide economic opportunities, through sectoral development services, federal-provincial economic agreements, and through leveraging access to federal sector development programs and services.
- Many CEDOs pursue development opportunities related to natural resource extraction, which may lead to negative environment impacts if undertaken improperly.
- Most on-reserve business activities leading to potential environmental impacts are likely to trigger the CEAA and should be assessed as part of this process. The CEAA process would generally be applied when the business applies to DIAND for a land permit, administered by Lands and Trust Services at the Regional Office level, or delegated to the bands. Similarly, access or harvesting of natural resources on reserve requires a permit designed to ensure that these resources are managed effectively.
- The study provided no evidence to suggest that unsound business practices are being supported.
- The Department should consider conducting a detailed evaluation of projects (perhaps on a case basis) to determine whether existing projects or business ventures are leading to environmentally unsound practices.
- CEDOs could be viewed as a possible vehicle to promote environmentally sustainable business opportunities within Aboriginal communities.
- Selection criteria for proposals could include consideration of potential environmental impacts and/or unsustainable resource management practices.
- Reporting requirements could also request information on the project's impact on the environment and/or long-term resource management.
- The Department should help CEDOs to incorporate sustainable development principles and actions into their economic strategic plans, strategies and approval criteria.

Resource Access Negotiations Program:

- The purpose of the Resource Access Negotiations (RAN) Program is to assist Indian bands, Inuit and Innu communities to: (i) access business and employment opportunities from major projects; (ii) attract investment in reserve natural resources; (iii) access off-reserve natural resources; and (iv) participate in the management of off-reserve natural resources.
- Although the focus of the program is on negotiations and related activities, the subject of the negotiations clearly has implications for the environment, since it relates to the management of renewable and non-renewable natural resources.
- The RAN represents an excellent opportunity to provide incentives for sustainable development that will benefit both First Nation communities and the environment.
- The Department should consider integrating sustainable development principles in RAN funding criteria.

Land and Environment Program:

- The objective of Lands and Trust Services is to fulfil the legal obligations of the Government of Canada in all matters respecting Indians and the lands reserved for Indians. Lands and Environment, a program under this sub-activity, sets out DIAND's responsibility for fulfilling the Crown's statutory requirements relating to the management and administration of reserve, designated and surrendered lands, including the natural resources found on those lands.
- Environmental impacts associated with the extraction of minerals and the harvesting forest have been described earlier in this summary under Renewable Resources and Mines and Minerals Management.
- The activities described within the land and environment programs are largely administrative in nature and are expressly designed to monitor or improve environmental conditions on reserves. We did not find evidence of any non-administrative subsidy that might lead to negative environmental impacts or to unsustainable natural resource utilization. In addition, revenue generation measures associated with the Lands and Environment program are accompanied by systematic environmental assessments.
- A cursory comparison of DIAND's revenue-generation measures to provincial standards, which incorporate trade-offs between rent capture and ensuring the viability of the forest industry, reveals that the Department may not be capturing the maximum rent possible, and this may constitute a barrier to sound environmental practice.
- We did not find significant barriers to sound environmental practices related to this programming component.

Indian Oil and Gas Canada (IOGC):

- This group within DIAND is responsible for the management, administration and disposition of oil and gas resources from Indian reserve lands south of the 60th parallel. IOGC collects the royalties from the oil and gas leases on behalf of First Nation communities.
- The potential environmental impacts from exploration and production of oil and gas include land fragmentation, oil spills, contamination of soil, surface and groundwater (and possibly wells), cutting trees, loss of wildlife habitat, erosion associated with access roads, and loss of isolation for resort areas.
- Each lease is subject to screening under the Canadian Environmental Assessment Act. The lessees are the proponents under CEAA, and hence are responsible for preparing the background information for the screenings. Mitigation from the assessment and other terms to protect the environment are included in the CEAA terms letter which is part of the lease agreement.
- The usual structure for agreements provides an incentive to expand the amount of oil and gas activity on reserves which could increase the aggregate environmental impact and create a barrier to sound environmental practices. These potential impacts are managed in part by environmental assessment procedures.
- DIAND should identify the magnitude of the possible incentives created by agreements of this type, perhaps by assessing a sample of agreements in detail. If appropriate, a summary of the results could be made available to people who may be involved in future negotiations to inform them about the consequences, in particular the possible environmental implications.
- It was beyond the scope of this study to ask the question, "How much resource extraction activity is too much?" We recommend, however, that DIAND develop a planning framework that could assist First Nations to ask the question and consider possible alternatives.

Annex 4

North of 60°N Sustainable Development Issues Scan: Policies, Programs, Projects and Operations Executive Summary

1. Introduction

This issue scan is an assessment by DIAND staff of the sustainability of the Department's policies, programs, projects and operations. Sustainable development objectives, criteria, issues, and activities were considered in the assessment.

The main body of the scan (Part 2) states issues, indicates their current status, comments on what is being done to resolve them, and suggests what further issues may be raised. Part 3 deals with some of the larger issues which were identified during the development of this scan, but which appear to fall outside of the scan itself.

2. Examination of Issues

In the following sections, progress on issues is assessed in terms of whether, and the degree to which, actions are supportive to sustainable development. Items under the issue headings are examples of outstanding initiatives and challenges, and do not comprise a complete list.

a. Issue: Maintaining and Strengthening Initiatives Supportive of Sustainable Development.

Progress has been made:

- An international **Arctic Council**, established in September 1996, is responsible for the **Arctic Environmental Protection Strategy (AEPS)** and sustainable development in Arctic regions. The **Arctic Monitoring and Assessment Program (AMAP)**, which monitors persistent organic pollutants under the AEPS, will release a *State of the Environment* report in 1997.
- Under the 1991-1997 **Arctic Environmental Strategy (AES)**, water monitoring has expanded to include more stations. Water legislation has been aligned with sustainability objectives.
- Canada has joined the global initiative to protect representative and special natural regions.
- **Action on Waste** (under the AES) deals with eliminating unsafe, hazardous and unsightly waste.
- In mining, Canada, GNWT and BHP are establishing an **Independent Monitoring Agency**. The **Yukon Geology Program** better enables identification of new areas of interest and reclamation of existing sites.
- Information has been compiled on **northern granular resources**.

Challenges remain:

- The degree to which Russia can play a strong role in the Arctic Council is uncertain.
- Communications challenges exist in informing northern communities about the safety of traditional foods.

- Collection of baseline information on water is being reduced through budget cuts.
- The establishment of protected areas will raise conflicts over competing land uses.
- Decades of poor hazardous waste practices pose large challenges.

b. Issue: Viability, Culture and Local Economy of Northern and Isolated Communities.

Progress has been made:

- Projects under the **Community Resource Management Plan (CRMP)** of the AES range from improving habitat to managing wildlife populations to planning resource conservation.
- Under the **AES Environmental Action Program (EAP)**, communities have designed projects to improve their environment and awareness of environmental responsibilities.
- The **Infrastructure Program** has improved sewage and water services, repaved roads, retrofitted older facilities and enhanced recreational facilities.
- Via the **Food Mail Program**, DIAND subsidizes Canada Post's air shipment of perishable foods and other items to isolated communities in the territories and six provinces.
- The **Fur Program** is a national program designed to counter the European Union's proposed wild fur boycott.

Challenges remain:

- Programs such as CRMP and EAP are being sunsetted.
- There is a need to maximize benefits for northern communities under the National Infrastructure Program, which has been extended to March 1998.
- The subsidy under the Northern Food Program is capped in 1996 dollars: this means that as prices of foodstuffs and transportation costs rise, the real value of the subsidy will diminish.
- Though the anticipated boycott of wild furs has been deferred, the issue will remain on the agenda, continuing to threaten the viability of small communities.

c. Issue: Change in the Regulatory Regime, Land Ownership Patterns, and the Requirements for Multi-agency Actions.

Progress has been made:

- Establishing the Government of Nunavut will put a significant level of control over regulatory and planning processes into the hands of residents of the new territory.
- New resource management legislation has been developed. In the case of the NWT, the *Mackenzie Valley Resource Management Act* (Bill C-80) is before Parliament, as is the *Nunavut Waters Act* (Bill C-51). In the case of the Yukon, Bill C-50, which is legislation on the Canada/Yukon oil and gas accord, is before Parliament, and work is underway on a variety of fronts including the **Development Assessment Process (DAP)**.
- Settling land claims will put a significant level of control over regulatory and planning processes into the hands of northern Aboriginal people.

- The BHP experience established a new, higher, comprehensive standard for project assessment and project planning and will provide a model for large resource projects throughout the territories.
- Departmental news releases, publications in the *Canada Gazette*, and initiatives such as the Northern Information Network, provide substantial public information relevant to statutory and regulatory change.

Challenges remain:

- The emerging regulatory and land ownership regime will create challenges in land use planning and ensuring that data of general interest are maintained.
- Dealing with matters that transcend boundaries between public and private lands will require the joint action of government and Aboriginal land holders.
- In parallel with the development of new institutions, more will need to be done to prepare DIAND staff for change as the Department moves from being a regulator/manager to being a facilitator and arbitrator.
- Aboriginal organizations will need to be encouraged to undertake similar preparation for significant change.
- The development of legislation that implements Aboriginal claims is necessarily slow-moving because it involves multi-stakeholder consensus on the interpretation of the negotiated claims provisions.
- Building Nunavut and ensuring that it is able to function by April 1, 1999 will present challenges.
- Communications challenges are inherent in the need to ensure that northerners and stakeholders interested in the North understand and are kept up-to-date on the changes brought about by new regulatory regimes.

d. Issue: Ambivalent Mandates, Interpretations or Actions

Progress has been made:

- Good working relationships with northern communities have been established by promotionally oriented Directorates of the NAP, such as Northern Oil and Gas Directorate and Mineral Resources Directorate.
- Issues such as Aboriginal claims, devolution and resource development on lands of interest to Aboriginal people have fostered a close working relationship between the IIAP and the NAP.

Challenges remain:

- Ensuring that officials within DIAND responsible for resource development and officials responsible for environmental protection and preservation have a common understanding of how DIAND should conduct its business.
- Some mandate-type problems may need to be resolved; for example, ensuring that the IIAP and NAP understand each other's roles.

e. Issue: Updating of Policies and Programs

Progress has been made:

- Gaps are being closed in the regulatory regime for mining: Bill C-6, *An Act to amend the Yukon Quartz Mining Act and the Yukon Placer Mining Act*, has recently received Royal Assent, and Regulations will be appended to the Act in 1997.
- In the Yukon, public consultation, now underway, will assist DIAND in the establishment of a sustainable forestry strategy intended to meet the long-term objectives of Yukoners.
- For the NWT, a paper, to be available later this year, will provide a basis for public discussion and policy development on the matter of mine remediation.

Challenges remain:

- Ensuring that DIAND's provincial-type responsibilities are recognized in NRCan policy, especially as they affect making decisions with regard to sustainable development.

f. Additional Issues

- On the measurement of sustainable development, it is suggested that work currently underway at the United Nations and elsewhere might be modified to meet the needs of the North.
- There may be a need for an independent examination of: whether there is adequate knowledge of northern ecosystems; the degree to which scientifically based criteria are used in northern regulatory decision-making; and the extent to which northern regulatory decision-making is scientifically driven as opposed to being driven by expedience.
- Learning and experience may not be sufficiently incorporated into current decision-making and regulation. Cut-backs and staff turnover may be factors in affecting DIAND's ability to do its developmental and regulatory job.

